

AGREEMENT

Between

HIBBING PUBLIC UTILITIES COMMISSION
and
**THE AMERICAN FEDERATION OF STATE, COUNTY AND
MUNICIPAL EMPLOYEES, AFL-CIO
LOCAL UNION NO 94**



JANUARY 1, 2020 to DECEMBER 31, 2022

TABLE OF CONTENTS

		Page
ARTICLE I	Recognition and Non-Discrimination	5
ARTICLE II	Management Rights	5
ARTICLE III	Pay Deductions	6
	1) Union Dues	6
	2) Benefit Contribution	6
	3) Commission Hold Harmless	6
ARTICLE IV	Hours of Work and Overtime	6
	1) Day and Week Schedule	6
	2) Regular Shift	6
	3) Shift Workers	7
	4) Utility Worker-Fuel Handler	7
	5) Overtime Payment	7
	6) Shift Differential	7
	7) Equalization of Overtime	7
	8) Call Out	8
	9) Stand-by Duty	9
	10) Overtime Meals	10
	11) Sunday Premium	10
	(Personal Leaves moved to VI)	
ARTICLE V	Holidays	10
	1) Paid Holidays	10
	2) Holidays That Fall on a Weekend	11
	3) Weekend Holiday Pay	11
	4) Holidays That Fall on Scheduled Day Off	11
ARTICLE VI	Vacations and Personal Leave	11
	1) Vacation Accrual	11
	2) Vacation Accrual Schedule	11
	3) Anniversary Date	11
	4) Vacation Earnings	11
	5) Vacation Carry Over	11
	6) Vacation Schedules	11
	7) Vacation Usage	12
	8) Modification of Vacation Schedule	12
	9) Part-time Employee Vacation Accrual	12
	10) Holidays Not Counted as Working Days	12
	11) Compensatory Time Earnings	12
	12) Furlough Days	12
	13) Personal Leaves	13
ARTICLE VII	Sick Leave and Sick Leave Bonus	13
	1) Sick Leave	13
	2) Sick Leave Bonus	14
ARTICLE VIII	Severance Pay	15
	1) Severance Calculation and Notice of Termination	15

ARTICLE IX	Seniority	15
	1) Establishing Seniority for New Hires	15
	2) Loss of Seniority	15
	3) Layoff and Seniority	15
	4) Rehiring and Seniority	16
	5) Health Insurance during a Layoff	16
	6) Reduction in Force/Bumping	16
	7) Seniority Lists	16
	8) Reduction of Workforce and Plant-Wide Seniority	17
ARTICLE X	Grievance Procedure	17
	1) Process	17
	2) Time Limit Exceptions	19
	3) Non-Precedent Setting	19
	4) Commission Grievances	19
	5) Right to Hearing	19
ARTICLE XI	Discipline or Discharge	19
ARTICLE XII	General Working Rules	20
	1) Temporary Transfer	20
	2) Temporary Transfer for Training	21
	3) License and Certificate Requirements	21
	4) Pay Grade Advancement	21
	5) Personal Business on Work Time	22
	6) Posting for Job Vacancies While on Leave	22
	7) Classification Pay	22
	8) Training for Non-Apprenticeable, Progressive Positions	22
	9) HPU Company Vehicles	22
ARTICLE XIII	Filling Job Vacancies	22
	1) Posting Procedures	22
	2) Apprenticeable Vacancies	24
	3) Vacancies on the Firing Line	25
ARTICLE XIV	Attendance of Employees at Union Meetings	25
ARTICLE XV	General Provisions	26
	1) Posting on Bulletin Boards	26
	2) Workers' Compensation Payments	26
	3) Workers' Compensation Insurance	26
	4) Jury Duty	26
	5) Insurance	26
	6) Retirement Insurance	27
	7) Military Leave	27
	8) Funeral Leave	28
	9) Retirement Notice	28
	10) Surviving Spouse Insurance	28
	11) Long Term Disability Insurance	28
	12) Worker Flame Resistant (FR) Clothing	29
	13) Retirement Plan	29
	14) Random Drug Testing	29
	15) Training Stipend	29

HIBBING PUBLIC UTILITIES/AFSCME LOCAL 94 1/1/2020-12/31/2022

ARTICLE XVI	Wages	30
	1) Wage Rates	30
	2) Longevity Pay	30
	3) Incentive Pay	30
	4) Plant Mechanic Clothing Allowance	31
ARTICLE XVII	Apprenticeships	31
	1) Apprenticeship Standards	31
	2) Apprenticeable Job Pay Schedule	31
	3) Filling Apprenticable Job Vacancies	31
	4) Elimination from Apprenticeship Program	32
ARTICLE XVIII	ADA/Workers' Compensation	32
	1) Purpose	32
	2) Process	32
ARTICLE XIX	Definitions	33
ARTICLE XX	Duration and Intent to Negotiate	33
	1) Duration of Agreement	33
	2) Modifications to Agreement	33
	3) Letters of Understanding	33
	Signatures	33
Appendix A	Job Classifications and Wage Rates	34
	Hay Group Evaluation Point System	35
Appendix B	PUC/Local 94 Apprenticeship Standards	36
Appendix C	PUC/Local 94 Pay Schedule for Apprenticeship Jobs and Entry Level Jobs	38

AGREEMENT:

THIS AGREEMENT made and entered into on this 1st day of January, 2020; by and between the PUBLIC UTILITIES COMMISSION of the City of Hibbing, Party of the First Part, hereinafter also referred to as the "Commission" and the AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, LOCAL 94, Party of the Second Part, Hereinafter also referred to as "Union" as representative of the employees of the Party of the First Part. This Agreement shall remain in full force and effect until the 31st day of December, 2022.

WHEREAS, the parties hereto desire to enter into an Agreement covering wages, hours, benefits, working conditions and other matters relating to or affecting the employer-employee relationship between the Commission and its employees.

WITNESSETH:

ARTICLE I - RECOGNITION AND NON-DISCRIMINATION

The Commission hereby recognized Local 94, American Federation of State, County and Municipal Employees, AFL-CIO, as the exclusive collective bargaining agent for its employees as per certification by the State of Minnesota, Division of Conciliation, dated January 30, 1959; for the purpose of negotiation of wages, hours, and other conditions of employment to the full extent provided by the applicable laws of the State of Minnesota. The Union and Management and/or Commission agree to always negotiate in good faith for a Collective Bargaining Agreement. There shall be no discrimination against employees on account of union membership or race, color, creed, age, sex or religious or political beliefs. The use of he or she in this Contract is not to denote gender, and is only used for expediency.

ARTICLE II - MANAGEMENT RIGHTS

Section 1. MANAGEMENT RIGHTS

- (a) The following shall be the exclusive prerogative of Management insofar as they are not exercised in a manner to conflict with the terms and intent of this contract, but Management may within its discretion confer with the Union concerning any circumstances that may arise under these prerogatives.
- (b) The Commission retains the right to manage the business and plans and to direct the working forces including the right to hire, suspend or discharge for proper cause, or transfer, and the right to relieve employees from duty because of lack of work or other legitimate reasons, subject to the limitations of this contract.
- (c) The Commission shall have the sole right to determine the types of services to be rendered; the location of their facilities and the methods and processes and means of production.
- (d) The Commission shall have the right to determine the size and composition of the work force and the assignment of work; to establish work and quality standards; to maintain discipline by requiring employees to conform to plant rules and regulations; these rights not to conflict with the terms of this Agreement.
- (e) The Commission shall have the right to determine the scheduling of operations and shifts; the health, safety and property protection measures where the employer must meet legal, insurance and other requirements; the determination of prices and other aspects of the relationship of the Commission to its customers, vendors and subcontractors.
- (f) It is not intended by the foregoing paragraphs to limit any of the normal or usual functions of Management or to fully define such functions. The Commission shall exercise all rights of Management without interference, subject to the provisions of this Agreement.

- (g) The Commission agrees that positions hired at the Hibbing Power Plant with regards to the Biomass expansion will be filled under this Bargaining Agreement. This applies to positions that would typically be subject to the Bargaining Agreement.

ARTICLE III - PAY DEDUCTIONS

Section 1. UNION DUES

- (a) Upon written authorization from any employee, the Commission shall deduct from his/her salary, his/her union dues and P.E.O.P.L.E Fund contributions biweekly, and union membership fees as needed, and will remit to the appropriate agency. Union dues start 30 days after the hire date.
- (b) Upon written request of the Union, the employer shall deduct a monthly "Fair Share" fee from the wages of employees who are eligible to join the Union and choose not to join. This fee shall not exceed 85% of the normal Union dues. This provision shall be suspended due to the Janus vs AFSCME Supreme Court ruling and shall be reinstated upon any future court cases reestablishing a Fair Share Fee.

Section 2. BENEFIT CONTRIBUTION

Upon like authorization from any employee, the commission shall deduct from his/her salary, upon the death of any employee, the sum of Two Dollars (\$2.00) and, upon retirement or termination of employment of any employee with more than five (5) years but less than ten (10) years of *service the sum of One Dollar (\$1.00) and of an employee with more than ten (10) years of *service, the sum of Two Dollars (\$2.00) which, in case of death, shall be immediately paid to the deceased employee's previously designated beneficiary and, in the absence of such designation, to the representative of his/her estate. In other cases, same shall be paid to the employee. The provisions of this paragraph shall apply to all participating employees.

*The word "service" as used in this Agreement, unless the context otherwise requires, shall be construed to mean continuous employment by the Commission.

Section 3. COMMISSION HOLD HARMLESS

The Union agrees to indemnify and hold the Commission harmless against any and all claims, suits, orders or judgments brought or issued against the Commission as a result of action taken by the Commission under this Article.

ARTICLE IV - HOURS OF WORK AND OVERTIME

Section 1. DAY AND WEEK SCHEDULE

The regular work week for all employees, except shift workers and Utility Worker-Fuel Handlers shall be Monday through Friday, eight (8) hours per day and forty (40) hours per week.

Section 2. REGULAR SHIFT

- (a) The regular hours of work for other than shift workers shall be posted by each Department and shall include an intermission for meals not to exceed one (1) hour. The normal Operations and Maintenance Department schedules other than shift workers shall be 7:00 a.m. to 3:30 p.m.
- (b) The above schedules may be modified at the discretion of the HPUC. Such modifications shall be prepared by the Department Head involved and approved by the General Manager and posted at least one (1) week in advance of the effective date. Such modifications are not intended to cause split shifts.
- (c) When operating conditions make it necessary for employees to work during their normal scheduled lunch period, an alternate lunch period of equivalent time will be designated by the Supervisor. The alternate lunch period normally designated to begin not more than one (1) hour before or one (1)

hour after the starting time of the regular scheduled lunch period and when so designated, time worked shall be considered as a part of the regular scheduled workday.

- (d) (MOVED FROM ARTICLE XII Section 2.) Employees are expected to report and leave the plant at designated hours. Continued violation of this provision will result in disciplinary action up to and including discharge.

Section 3. SHIFT WORKERS

The regular hours of work for shift workers working in a classification of work where service is required twenty-four (24) hours per day and seven (7) days per week shall be in accordance with a posted work schedule prepared by the department head and approved by the general manager. Such schedule will provide for a twelve (12) hour day. Dayshift is 5AM to 5PM; Nightshift is 5PM to 5AM.

Section 4. UTILITY WORKER-FUEL HANDLERS

Utility Worker-Fuel Handlers shall work in accordance with a posted schedule prepared by the Department Head and approved by the General Manager and shall provide for an eight (8) hour day and a forty (40) hour week.

Section 5. OVERTIME PAYMENT

- (a) Employees shall be paid time and one-half for all hours worked before their regular starting time and after their regular quitting time if such time is in excess of eight (8) hours per day or forty (40) hours per week but overtime shall not be paid for both. (Overtime shall not be pyramided.)
- (b) An employee working more than sixteen (16) consecutive hours will receive double time for every hour over and above the initial sixteen (16) consecutive hours.
- (c) Shift workers shall be paid time and one-half hours for all hours worked before their regular starting time and after their regular quitting time if such time is in excess of twelve (12) hours per day, or forty (40) hours per work week.
- (d) Shift workers shall not be allowed overtime for work performed on Sunday when such work is performed on the regular shift. (MOVED FROM ARTICLE XII GENERAL WORKING RULES Section 2.)

Section 6. SHIFT DIFFERENTIAL

- (a) When Payable: Shift Differential will be paid to all scheduled shift workers as follows:
- 1) \$.30 per hour for afternoon shift.
 - 2) \$.50 per hour for a night 12-hr shift (new)
- Shift Differential to be paid on scheduled shifts shall be paid only on the hours worked.
- (b) When Not Payable: Shift Differential will not be paid during vacation or sick leave. Regular overtime will apply only to regular pay with Shift Differential added to the total sum.
- (c) Shift Differential will apply to all employees on scheduled shifts and will not be paid to an employee on call-out.

Section 7. EQUALIZATION OF OVERTIME

- (a) Subject to the provisions of this Section, overtime worked shall be divided as equally as possible among the employees who normally perform the work in the Department where the work is to be accomplished and within their job classification. The goal of distributing overtime as equally as possible refers to overtime distribution within a crew on an annual basis.
- Crew Leaders and Plant Operations Shift Coordinators shall keep daily logs and once per week update the weekly overtime sheet. Based on this update, a new weekly overtime list will be prepared and distributed on Fridays.

The employer is not required to break works in progress for the purpose of equalizing distribution of overtime. For Monday through Friday crews, overtime occurring as an extension of the shift may be assigned based on agreement of the crew. Provided, however, on the Utility Worker-Fuel Handler Crew, the Commission shall not be required to break works in progress if the Crew Leader determines that the overtime is not likely to last more than three (3) hours.

An employee transferring between departments will be considered to have overtime equal to the highest employee doing the same work on the date the transfer was effective.

When an employee has been so excused, notation shall be made on the overtime records that the employee has been offered and has refused the number of hours which would have been worked, and those hours shall be considered as "hours worked" in the future distribution of overtime.

- (b) In selecting employees for scheduling or planned overtime the Commission will excuse employees who do not want the assignment, provided the required number of qualified employees are available. The option of the employees to turn down assignment to scheduled or planned overtime, provided there is enough qualified employees available, is not intended to apply to emergency overtime.
- (c) When additional help is needed beyond the number desiring the assignment, the additional assignments will be made in inverse order of the amount of overtime worked. Employees in this instance, must make themselves promptly available for work.
- (d) The following definitions shall apply for the purpose of assignment of overtime is concerned:
 - 1) Scheduled or planned overtime shall mean work for which at least 24 hours notice has been given.
 - 2) Emergency overtime shall mean work for which, if not accomplished, will interfere with the Commission's obligation to provide continuous operations for the health and safety of the general public. Employees do not have the option to turn down an assignment to emergency overtime.
- (e) Additional provisions relating to firing line:
 - 1) A firing line worker will be considered to be on vacation, and thus not normally subject to call to fill an overtime shift, only if approved vacation, compensatory time or personal day brackets the beginning or end of scheduled days off.
 - 2) A firing line relief person may have his/her work schedule changed at any time to cover a shift.
 - 3) On the firing line, in the absence of a relief person, it is the responsibility of the qualified person in the classification who is lowest in overtime hours and is scheduled off to cover the uncovered shift when such shift does not interfere with his/her normal shift.
- (f) An employee returning from extended sick leave of more than 30 working days shall have their overtime hours adjusted to match the low employee in overtime on the crew, or maintain present number of hours, if not low.

Section 8. CALL OUT

- (a) Employees called in for work outside of their regular working hours shall be paid at the overtime rate. Shift differential shall not be considered in computing the overtime rate. Such pay shall be computed from the time employee arrives at the reporting location to the time of completion of his/her work and return to the designated reporting location of the Department, provided that he/she shall not be paid at the overtime rate for any work falling within his/her regular working hours. An employee called in for such work under the terms of this paragraph will receive a minimum of three (3) hours pay at his/her overtime rate for each time he/she is called out; however, this minimum pay is not to apply if called out less than thirty (30) minutes prior to his/her regular shift starting time.

- (b) The Commission's responsibility to distribute overtime "as equally as possible" includes overtime payable under Section 8 also. If an employee is called out under Section 8 in error (such as when another employee with lower overtime hours should have been called) the Commission shall not be liable for any missed call-out pay to the employee who was not called. However, if any employee is not called due to error more than once during a six-month period, then the Commission shall be liable for missed call-out pay for each occasion during the six-month period after the first occasion.
- (c) If an employee not regularly scheduled between 11:00PM and 5:00AM is required due to emergency or receives call-out during such hours, the employee's starting time for the following day's shift shall be adjusted back based upon actual hours worked between 11:00PM and 5:00AM if the employee did not have an eight (8) hour rest period between work periods. The regular starting time can be adjusted up to five (5) hours (noon) with no loss in pay for the late start and the ending time of their shift shall not be adjusted. If the eight (8) hour rest period exceeds five hours of the next scheduled shift, the entire shift will be paid as straight rest time.
- (d) If the emergency or call-out continues into the regularly scheduled shift, sixteen hour worked per day provisions apply. If this event occurs, once the employee obtains sixteen hours, they are excused from work and the remaining part of the regularly scheduled shift will be paid as straight rest time.
- (e) An employee who has worked sixteen (16) hours or more continuously or who has worked more than sixteen (16) non-continuous hours in a twenty-four (24) hour period, shall, upon release be entitled to an eight (8) hours rest period before returning to work. If, during the eight (8) hour rest period the employee is recalled to work for emergency response, the employee affected shall be paid at the overtime rate for all hours worked on that shift and all continuing shifts until the employee has been able to receive an eight (8) hour rest period.

Section 9. STAND-BY DUTY

- (a) Employees whose job requirements include assignment to take emergency calls outside of normal scheduled hours will be required, during periods of such assignment, to make themselves available to their reporting location within thirty minutes (30) . Contact by the Public Utilities Commission to individuals on such stand-by duty shall be by a cell phone, to be furnished by the HPUC.
- (b) When employees have been placed "on call" they shall be called before or concurrently with other employees in the case of emergencies.
- (c) The "on call" employee shall complete the form associated with trouble calls and shall submit a concise report as to the difficulty involved, the corrective action associated therewith and, if there is a delay in restoring services, an explanation shall also be provided for this delay. The "on call" employee shall call in an extra employee(s) for assistance only after determining that such help is required.

- (d) Any "on call" employee who is assigned by the Commission to take emergency calls outside his normal scheduled hours will be paid at basic straight time rates as shown below

Monday through Friday	1.5 hours
Saturday, Sunday	3 hours
Holidays	4.5 hours

If called upon to perform work, in addition to the call-time pay, the employee will be paid for the time worked at the rate applicable but not less than three (3) hours at the applicable overtime rate for each time called out.

- (e) On a recognized holiday, the on-call employee shall receive three (3) hours holiday pay starting at 7:00 A.M. to 3:30 P.M. for said holiday plus normal rate.
- (f) An employee "on call" under the stand-by portion of this Agreement is responsible for notifying the Commission if he/she becomes too ill to perform the job in the event of an emergency call. This

would apply whether the employee was out sick for the regular shift or if the incapacity occurred during or after the regular shift had been completed. Such notification in the event of illness or serious accident is paramount to the continued success of serving the Commission's customers in an emergency situation. Any hours of pay earned from the stand-by provision may be converted to compensatory time in accordance with Article VI Section 11. One hour of stand-by pay would convert to one hour of compensatory time.

- (g) If an on-call employee does not report to the Plant Operations Shift Coordinator in the time allotted in Section (a), or fails to respond to his/her page, the "on call" employee shall forfeit the 1½ or 3 hours "on call" pay for that day.

Section 10. OVERTIME MEALS

The Commission shall furnish a meal under the following conditions:

- (a) After an employee has worked three (3) hours or more at the end of and in addition to his/her regular work day, they shall be entitled to a meal and thereafter to an additional meal for each additional six (6) hours worked. The meals shall be taken when practicable.
- (b) Employees called out without previous notice to start working during non-scheduled hours shall be entitled to meals as follows: If the employee is called out to start more than two (2) hours prior to his normal starting time, he shall be entitled to a meal after working two (2) hours and thereafter to an additional meal for each additional six (6) ours worked. The meals shall be taken when practicable.
- (c) When arrangements are made in advance for prearranged, scheduled or planned work during nonscheduled hours, employees are not entitled to a meal. Provided, however, for scheduled overtime lasting more than 12 consecutive hours, employees shall be eligible for a meal allowance.
- (d) For the purpose of determining meal eligibility, only time worked outside of regular scheduled work hours shall be counted. Where the work of overtime prevented an employee from making preparations for a meal during regular scheduled work hours, the Commission shall provide a meal.
- (e) If the meal is not required, an employee is urged not to request it. To comply with IRS non-cash fringe benefits taxable income rules, overtime meals for all employees except for Plant Operations (Firing Line) will be included in their pay as a non-cash fringe benefit (imputed income) and taxed properly.
- (f) The maximum meal allowance paid by the HPUC will be \$14.00 plus delivery fee for any meal Employees shall be required to pay the cost of overtime meal upfront and submit a receipt to their immediate supervisor for reimbursement. All overtime meals, except for Firing Line employees, will be taxed as imputed income. There shall be no restriction on where said meal is purchased.

Section 11. SUNDAY PREMIUM

Shift Workers and Utility Worker-Fuel Handlers required to work on Sunday shall be paid at the rate of one and one-quarter (1¼) times their normal rate. Sunday premium will not be paid in connection with regular overtime or in paying vacations, sick leave or other benefits.

ARTICLE V - HOLIDAYS

Section 1. PAID HOLIDAYS

Employees shall be entitled to the following paid holidays:

New Years Day	Independence Day	Thanksgiving Day	Christmas Eve Day
Good Friday	Labor Day	Day after Thanksgiving	Christmas Day
Memorial Day	Veterans Day		

Section 2. HOLIDAYS THAT FALL ON A WEEKEND

When any of the full day holidays fall on Sunday, the following day shall be the holiday. When any of the full day holidays fall on Saturday, the previous day shall be the holiday. For the Firing Line and for Utility Worker-Fuel Handlers, the Holiday will be paid for the actual Holiday, regardless of the day of the week it falls on, and regardless of when it is officially celebrated.

Section 3. WEEKEND HOLIDAY PAY

Employees required to work on any of said holidays shall, in addition to holiday pay, be paid time and a half for the hours worked.

Section 4. HOLIDAYS THAT FALL ON SCHEDULED DAY OFF

When any of said holidays fall on an employee's scheduled day off, such employee shall be paid eight (8) hours holiday pay.

ARTICLE VI – VACATIONS & PERSONAL LEAVE

Section 1. VACATION ACCRUAL

All employees on the regular payroll shall be granted annual paid vacations to be earned, computed, credited and taken as set forth below.

Section 2. VACATION ACCRUAL SCHEDULE

Vacation shall be earned by continuous service in accordance with the following schedule:

1 year -	Six (6) working days to be taken prior to his/her next anniversary date.
2 years -	Eleven (11) working days.
6 years -	Sixteen (16) working days.
14 years -	Twenty-one (21) working days.
20 years -	Thirty-one (31) working days.

Shift-workers vacation schedule is based on an 8-hr day. Example 1 year – six (6) working days equals forty-eight (48) hours.

Section 3. ANNIVERSARY DATE

Earned vacations shall be credited to employees on their anniversary date.

Section 4. VACATION EARNINGS

Vacations shall be considered rest periods earned during one vacation year and shall be taken during the following vacation year. Each employee's vacation year begins and ends with their individual anniversary date.

Section 5. VACATION CARRY OVER

Employees may carry ten (10) days of unused vacation time past his/her anniversary date. This vacation time must be used within one year following his/her anniversary date or it will be forfeited. An employee shall not be paid in lieu of vacation time due. Shift workers: Ten (10) days is equivalent to eighty (80) hours.

Section 6. VACATION SCHEDULES

By no later than March 1st of each calendar year, Department Heads, after having consulted with the employees in their respective departments entitled to vacation, shall prepare vacation schedules and the necessary work schedules during vacation periods for the current year. In so doing the wishes of

employees shall be respected insofar as the needs of the respective departments will permit; it being understood that in selecting vacation time, in the absence of agreement among employees, senior employees shall have preference. On split vacation, preference due to seniority shall apply only to the first choice.

Section 7. VACATION USAGE

- (a) Vacation periods normally shall not be broken down into periods shorter than one (1) week. Vacation periods in excess of three (3) weeks may be taken only with the approval of the Department Head.
- (b) Vacation requests in 2 hours increments shall be permitted upon prior approval of the Department provided the employee can be spared from duty. These vacations must be scheduled at least twenty-four (24) hours in advance for employees except for those working the firing line, firing line employees must be scheduled forty-eight (48) hours in advance.

Section 8. MODIFICATION OF VACATION SCHEDULE

Vacation schedules may be modified from time to time on account of unforeseen circumstances and to accommodate the needs of the respective departments. No employee shall go on vacation without first obtaining approval of his/her Department Head.

Section 9. PART-TIME EMPLOYEE VACATION ACCRUAL

Regular part-time employees shall be granted vacations pro-rated on the basis of time actually worked.

Section 10. HOLIDAYS NOT COUNTED AS WORKING DAYS

Holidays are to be excluded in computing working days under the vacation schedule.

Section 11. COMPENSATORY TIME EARNINGS

Twenty six and .66 (26.66) hours overtime can be converted to 40 hours of compensatory time per year. Compensatory time may only be taken (as vacation is approved and taken, minimum 2 hours at a time) if no other member of the crew and/or department is currently off duty for any reason and without causing an overtime shift.

No compensatory time shall be allowed if it creates any overtime shift on the day it is taken or on an immediate adjoining shift. If compensatory time is requested for a future day and any other department employee makes a request for time off later, this later time off request will be responsible for any overtime shift and not the previous compensatory time off request.

An employee may cash out accumulated compensatory time in the last paycheck of any calendar quarter, provided the employee gives notice at least two weeks in advance of intent to cash out compensatory time. (Cashing out compensatory time does not change the maximum twenty six and .66 (26.66) hours overtime that can be converted to compensatory time per year.) If not taken or cashed out by December 31st, the compensatory time will be paid on the last regular check of the year.

Section 13. FURLOUGH DAYS

All employees will be given up to (5) five voluntary furlough days per year commencing effective January 1, 2011. Furlough is defined as a day off without pay, while still retaining other benefits. An employee must make a written request for furlough and can only request one day of furlough at a time. Management reserves the right to deny any particular request any time previous to 16 hours before the furlough is scheduled to commence. Furlough is scheduled to commence at the beginning of the scheduled shift. All shift workers will be given up to forty (40) hours of voluntary furlough per year.

Section 14. PERSONAL LEAVE

An employee shall be granted up to four (4) days paid leave each year for personal business. Personal leave can be denied at the immediate supervisor's discretion. The employee will call his/her Immediate Supervisor prior to his/her regularly scheduled work hours. This does not apply to shift personnel, where a two (2) hour advance notice is required for any personal days.

The employee will be eligible for the annual allotment of personal leave days as of the employee's anniversary date and the leave days will be available to be taken until the next year's anniversary date. If not taken during the available time, the personal leave days cannot be carried over into the employee's next anniversary year. The Commission is not liable to pay for personal leave days not taken.

Shift workers will be granted thirty-two (32) hours paid leave time each year for personal business. All leave time should be taken as full days (12 hours) until there is less than a full day available. For example, 32 hours personal leave would result in two 12-hour day requests that leaves 8 hours. When this occurs, the entire remaining portion would be requested for leave. However, it is also acceptable to combine personal and vacation leave time to add up to the full day leave (12 hours) only when the full-day option is exhausted for shift-workers.

ARTICLE VII - SICK LEAVE AND SICK LEAVE BONUS

Section 1. SICK LEAVE

- (a) All employees shall earn sick leave at the rate of 6.5 hours per pay period. An employee with less than ten (10) years of service may accumulate up to 120 working days (960 hours) and an employee with ten (10) or more years of service may accumulate up to 180 working days (1440 hours).
EMPLOYEES HIRED AFTER 1/1/2018 SHALL RECEIVE THE FOLLOWING :

An employee may accumulate up 120 working days (960 hours) of sick leave. In accordance with Article IX, Section 2D, Seniority, Any employee who is laid off and subsequently recalled within two (2) years of the effective layoff date shall retain their original seniority date and shall not fall under this provision.

- (b) Sick leave earned during a pay period is not available for use until the following pay period. Employees begin to accrue sick leave at the time of hire. Employees are eligible to use sick leave one pay period after hire.
- (c) An employee while on sick leave does not earn any additional sick leave. Sick leave accrual is pro-rated by the amount of sick leave used each pay period. Sick leave of less than forty (40) hours in a pay period, employee will not see a reduction in their sick leave accrual benefits.
- (d) Sick leave may be used for the employee's absence from work due to his/her illness or exposure to contagious disease. Minnesota Statute 181.9413 states that employees may use sick leave to care for specific relatives on the same basis as they would use sick leave for themselves. Sick leave may be used to care for a "child"; defined as a biological child, stepchild, adopted or foster child, either under 18 or under 20 if still attending secondary school. Sick leave may be used to care for a relative; defined as an adult child, spouse, sibling, parent, grandparent, or stepparent. However, the amount of leave time that may be used for caring for these individuals is limited to 160 hours in any 12-month period. All time away from work for medical appointments (for the employee, child or relative as defined above) of one hour duration or less including travel time, will not be charged against the employee's sick leave account if the appointment is documented with a written doctor's excuse. Time for such appointments not documented by a written doctor's excuse will be charged against sick leave. Paternity family sick leave used for attending the birth of a legal child will be excused during the spouse's labor and delivery time at the hospital only. However, the five days of

non-doctor's excused sick leave would also apply for the sick leave used for the attendance of sick children benefit.

- (e) Sick leave, if not for more than two (2) consecutive days, may be authorized in advance, or approved upon the employee's return to work by his/her Department Head or by the General Manager. But sick leave so authorized or approved cannot exceed a total of five (5) days (40 hours) per year. Any employee found guilty of abusing this provision shall, in addition to the penalties in Section 1 (h), be required to justify all sick leave for a period of one year. The General Manager, at any time, may require an employee to be examined while on extended sick leave (over two (2) days) by a doctor of their choice. After five days (40 hours) of unexcused sick leave, all subsequent sick leave, during that calendar year, must always be justified by a doctor's certificate to be presented upon return to work. After five (5) days (40 hours) of unexcused sick leave per year, Management has the right to require said employee see the Commission doctor for each subsequent day. All doctor's excuses must indicate the dates (beginning and ending) for which the employee used sick leave.
- (f) Employees going on sick leave must contact their immediate supervisor, the service desk or control room prior to the employee's scheduled starting time. Shift workers must call the control room two (2) hours prior to the start of their shift.
- (g) An employee on unverified sick leave who goes out of town for reasons unrelated to his/her illness, does manual labor, or simply loiters in and about town shall be docked one (1) day for each day he/she is absent.
- (h) Any employee found guilty of abusing the sick leave provision of this Agreement shall have his/her sick leave accrual benefits listed in section (a) of this Article canceled for a period of six (6) months. A second offense shall result in a ten (10) day suspension of the employee and a third offense shall result in discharge.
- (i) Regular part-time employees earn sick leave and shall be granted sick leave benefits pro-rated on the basis of time actually worked.

Section 2. SICK LEAVE BONUS

- (a) For purposes of sick leave bonus calculations, the sick leave bonus periods are defined as December 1 to May 31; and June 1 to November 30.
- (b) On the first day of each six-month sick leave bonus period, employees with at least one (1) year of service shall be credited with a sick leave bonus of twenty four (24) hours, which during the course of the bonus period, shall be reduced by the number of hours such employees use sick leave for any of the purposes authorized by any of the provisions of the Agreement, as follows:
- (c) The remaining balance, if any, for each bonus period shall be paid to each such employee at his/her regular rate of pay.
- (d) For employees with 20 years or more of service and who have a maximum of 180 days (1440 hours) sick leave accumulated, prior to the start of the sick leave bonus period (December 1 or June 1), said employee will be awarded one (1) additional sick leave bonus day and will be paid as defined in paragraph (a) above.

ARTICLE VIII - SEVERANCE PAY

Section 1. SEVERANCE CALCULATION AND NOTICE OF TERMINATION

On retirement, death, quits with more than five (5) years of service (ten (10) years of service for employees hired after 1/1/85), or termination of employment, except for discharge for cause, an employee shall be paid severance pay, which shall consist of the present cash value of the following:

- (a) Unused vacation time credited on the last anniversary date plus vacation time earned thereafter up to the date of retirement or termination; and
- (b) One-half of unused sick leave time accumulated and credited on the 1st day of the year plus one-half sick leave time earned thereafter up to the date of retirement or termination
- (c) If an employee gives less than fifteen (15) calendar days notice of termination of their employment, the employee shall waive terminal vacation and sick leave benefits provided in this contract, except for extenuating circumstances. (This includes day of notice.
- (d) Union employees with twenty-five (25) or more years of service, that do not currently have a retiree health insurance plan, will participate in the Health Care Savings Plan. Under the current Bargaining Agreement, these employees have half of their accrued sick leave time up to seven hundred twenty hours that they will put into this account. This plan will be in effect beginning January 1, 2015 until December 31, 2016, at which point the Union may elect to continue, cancel, or modify the terms of the Health Care Savings Plan Agreement with the Minnesota State Retirement System.

ARTICLE IX - SENIORITY

Seniority status shall be granted to all employees. An employee's position on the seniority list shall be determined on the basis of his/her continuous length of service for the Commission. Employees, upon the completion of a probationary period of six (6) months, shall be placed on a seniority list as of the first day of their employment.

Section 1. ESTABLISHING SENIORITY FOR NEW HIRES

In hiring new employees, the Commission shall not permit two or more employees to commence work at the same time. Whenever two or more employees start work on the same day seniority status shall be determined by the hour of the day when each started to work.

Section 2. LOSS OF SENIORITY

An employee shall lose seniority if:

- (a) He voluntarily resigns from employment.
- (b) He is discharged for cause.
- (c) He fails to return to work at the time specified by the Commission. Notice shall be by registered mail.
- (d) He is laid off for a period longer than two (2) years.
- (e) He is absent because of illness for a period longer than two (2) years, exclusive of sick leave.
- (f) Should an employee return from a compensable injury after being off for over two (2) years, the employee will be returned to work.

Section 3. LAYOFF AND SENIORITY

In the event of layoff, employees shall be laid off according to their seniority status in the inverse order of hiring. The employer agrees to give two (2) weeks' notice of layoff.

Section 4. REHIRING AND SENIORITY

Employees shall be rehired according to their seniority status in the inverse order of layoffs.

Section 5. HEALTH INSURANCE DURING A LAYOFF

Any employee laid off during the term of the Contract will receive six (6) months of paid health insurance as is offered to active employees at the time.

Section 6. REDUCTION IN FORCE/BUMPING

- a. In case of reduction of force or the elimination of a position a senior employee may exert his/her seniority preference over a junior employee in any department or classification of work; the senior employee will be placed based on seniority, at this time the evaluation portion listed below will start once the employee is actually placed in the new position. The senior employee who is impacted by job elimination may have the opportunity to bump two (2) times, which includes a forty-five (45) working day probationary period for each bump. If the employee is deemed not qualified after the first bump, that employee shall have the opportunity to bump one final time with a forty- five (45) working day probationary period. The senior employee who is impacted by further job elimination or is bumped by another employee will have the opportunity to start the bumping process over.

For the purpose of evaluating employee's qualifications after posting into a new job, the following factors shall be considered during timely evaluations. Employee evaluations shall occur at fifteen (15) working days in the new position, thirty (30) working days in the new position, and last at forty four (44) working days in the new position; evaluation based on:

- 1) Ability to perform related work
 - 2) Aptitude
 - 3) Versatility
 - 4) Handling a stressful situation in a respectful, collaborative, and creative manner
 - 5) Efficiency
 - 6) Past experience
 - 7) Physical qualifications if not in violation of ADA work rules
 - 8) Appropriate license(s) where required by State or Federal Law (or avail himself/herself within the forty-five (45) working day probationary period taking into consideration availability of testing)
- (b) When an employee bumps into a position, the affected employee shall receive the current rate of pay for that position during his/her probationary period. Upon successful completion of the probationary period, the affected employee shall receive a separate transitional pay which shall be 50% of the difference between the employee's original pay and the current rate of pay in the new position for a period of two (2) years from the date of bumping into the new position. Retro transitional pay shall be paid following successful completion of the probationary period.
- (c) During the aforementioned period of ninety (90) days, such employee shall be on probation and may be removed from his/her position whenever in the judgment of the Commission it becomes apparent that he/she does not have the necessary qualifications to satisfactorily perform the duties of the position.

Section 7. SENIORITY LISTS

A seniority list shall be presented to the Union Recording Secretary whenever the list is updated.

Section 8. REDUCTION OF WORKFORCE AND PLANT WIDE SENIORITY

Even though departmental seniority prevails under certain aspects of the Apprenticeship Program with regard to the filling of Apprenticeship vacancies, plant wide seniority shall prevail in the event of reduction in force.

ARTICLE X - GRIEVANCE PROCEDURE

Section 1. PROCESS

- (a) Should any differences arise between the Union and the Commission and/or any of its employees as to the meaning and application of any of the provisions of this Agreement there shall be no interruption of the Commission's operations for any reason whatsoever; but an earnest effort shall be made to settle differences by the grievance procedure herein provided.
- (b) Management will give a written answer to a grievance to the following: Grievant, Grievance Committee Chair, Union Staff Person, Union President and Union Secretary.
- (c) Failure by Hibbing PUC or its representative(s) to issue a decision within the time period provided herein shall mean that the Union prevails on the grievance. Should this provision not be followed and where written answers to grievances have not been processed within the time limits specified, and a written exception has not been obtained by either, the aggrieved party has the right to appeal the grievance to the next step in order to have this provision followed.
- (d) Any employee having a complaint or grievance shall proceed as follows, provided it involves the interpretation and application of any of the terms of this Agreement, it shall be presented in the following manner:

STEP (1): UNION REPRESENTATIVE AND DEPARTMENT HEAD

Such grievance shall be reduced to writing and presented by a designated Union Representative to the management Supervisor. It is recognized that a written grievance must be taken up promptly and shall in no event be presented to the Management Supervisor more than fifteen (15) working days after the Union or the employee could reasonably have been expected to know of the occurrence of the condition which is claimed gave rise to the grievance.

No grievance shall be considered proper unless it is properly filed. In order to be considered properly filed, said grievance shall be dated and signed, by the grievant as well as by a Union Representative; and shall contain, the date the incident occurred, a statement of the facts upon which it is based, the remedy or correction requested, and the specific Section of the Agreement relied upon or claimed to have been violated.

The grievant and/or management representative can request a meeting to discuss a possible resolution to a Step 1 Grievance. If such meeting is mutually agreeable, the response timeline would commence the next business day following the conclusion of the Step 1 meeting.

The Department Head will give a written answer within seven (7) working days after receipt of such grievance.

STEP (2): UNION GRIEVANCE COMMITTEE AND GENERAL MANAGER

In order for a grievance to be considered further, the designated Union Representative of the Union Grievance Committee shall serve on the General Manager, or his/her designated representative, written notice of appeal from Step (1) prior to the expiration of seven (7) working days.

Such grievance shall be discussed thereafter by the Grievance Committee and/or the Union Staff Representative or his/her designated Union Representative and the General Manager or his/her designated representative within ten (10) working days from the date of appeal from Step (1). The General Manager shall render, in writing, an answer within seven (7) working days after such meeting.

STEP (3): UNION STAFF REPRESENTATIVE AND COMMISSION GRIEVANCE COMMITTEE AND GENERAL MANAGER

If the grievance is not disposed in Step (2) above, it may be appealed to the Commission Grievance Committee by the Union Staff Representative or his/her designated Union Representative. Makeup of the Commission Grievance Committee will be determined by the Commission from less than a quorum of its membership. Such appeal must be made in writing to the Commission Secretary within seven (7) working days after the Union has received the Step (2) answer. The Public Utilities Commission shall meet within ten (10) working days after receipt of such appeal. The Union and the Commission shall have the right to present witnesses, introduce evidence and to examine witnesses and evidence presented by the other party.

A written decision by the Commission Grievance Committee and the General Manager shall be rendered within seven (7) working days following the hearing.

STEP (4): NON-BINDING MEDIATION

If the grievance is not resolved in Step (3) above, the Union Staff Representative may request non-binding mediation. The mediator will be supplied from the Minnesota Bureau of Mediation Services. This step does not bind either the Commission or Grievant to accept the results of the mediation step. Such an appeal to Step (4) must be received by the Commission Secretary within seven (7) working days after the Union has received the Step (3) answer.

STEP (5): IMPARTIAL ARBITRATION

All unsettled grievances, which were properly filed and processed through the aforesaid Grievance procedure, may be submitted to impartial arbitration. Such appeal to impartial arbitration must be made in writing to the Commission Secretary within fifteen (15) working days after the Union has received the Step (4) answer. The impartial arbitrator shall have no authority to rule on any grievance, if the ruling would add to, subtract from, or modify the provisions of this Agreement. The impartial arbitrator shall not be deemed to have modified the provisions of the Agreement if ruling on a bona fide past practice which has not been a topic of negotiations.

- (a) Upon receipt of a written request for arbitration of a grievance, under this grievance procedure, one (1) individual representing the Commission and one (1) representing the Union shall be named to select an Impartial Arbitrator.
- (b) Within 15 working days of the notification of arbitration, the Union shall apply with the Bureau of Mediation Services, State of Minnesota, is to furnish a list of five (5) prospective arbitrators. From this list, each party shall in turn strike one remaining individual on the list until one name remains on the list. The remaining individual on the list shall become the Impartial Arbitrator. If the parties are unable to agree on who shall strike the first name, the question shall be decided by a flip of a coin.
- (c) The arbitration hearing shall be heard as soon as scheduling allows following the selection of an Impartial Arbitrator. The Arbitrator's decision shall be rendered, in

writing, following the hearing, and shall specify the effective date of the decision. Such decision shall be final and binding on all parties to the arbitration.

- (d) The expenses of arbitration shall be borne equally between the Commission and the Union.

Section 2. TIME LIMIT EXCEPTIONS

Exceptions may be made by mutual agreement to any of the time limits specified within Steps 1, 2, 3, 4 and 5 of the Grievance Procedure. Such Agreement must be in writing to be considered valid.

Section 3. NON-PRECEDENT SETTING

Where either party so states in writing in the disposition of a matter not submitted to arbitration under the grievance procedure, the acceptance of the action or disposition shall not be binding on either party as a precedent for the future on the same or related matters.

Section 4. COMMISSION GRIEVANCES

A grievance by the Commission against an employee or the Union may be presented and handled in accordance with the established grievance procedure set forth, beginning at Step 2.

Section 5. RIGHT TO HEARING

An employee shall have the right to a hearing under the Grievance and Arbitration provisions of this Agreement, beginning at Step 2 or Step 3, on any difference of opinion after and resulting from Commission and/or Management action as to promotion, demotion, discipline administered, layoff or discharge. If, as a result of such process, an employee is exonerated and he/she has suffered any loss of pay or benefits, such employee shall have his/her record cleared and shall be reimbursed for such loss of pay and benefits.

ARTICLE XI - DISCIPLINE OR DISCHARGE

Section 1. DISCIPLINE, DISCHARGE AND PROGRESSIVE DISCIPLINE

- (a) The Commission and/or Management maintain the right to discipline and/or discharge any employee for just cause for violation of General Rules and Regulations, Safety Rules and Regulations, or other legitimate reasons. An employee shall have the right to question or dispute such disciplinary actions in accordance with Article X, Section 5 of this Agreement. It is recognized that discipline must be taken up promptly and shall in no event be presented to the employee more than fifteen (15) working days after the Management Supervisor could reasonably have been expected to know of the occurrence of the condition which is claimed gave rise to the discipline.
- (b) It is mutually understood and agreed that, in establishing, implementing and administering disciplinary procedures that the concept of "progressive discipline" shall prevail; although it is recognized that there are some offenses which may, in extreme instances, require more stringent discipline than normal progress. The normal disciplinary progression shall be:

W -	Written Reprimand
TL 1 -	Temporary Layoff - without pay for one (1) work day.
TL 3 -	Temporary Layoff - without pay for three (3) work days.
TL 5 -	Temporary Layoff - without pay for five (5) work days.
D -	Discharge

- (c) The following are some specific offenses and the normal progressive steps that will be involved in the discipline and discharge procedure. It is not deemed to exclude management's right to discipline or discharge employees for any other just cause.
- (1) Insubordination, including refusal or failure to perform work assigned. (W) (TL-3) (TL-5) (D)
 - (2) Individuals who test positive for alcohol or who are in possession of alcohol on company property will be disciplined as follows:
 - First violation: treatment as outlined in paragraph H on page 17 of Drug Policy EMPL114 (September 2014)
 - Second violation: (TL-3)
 - Third violation: (TL-5)
 - Fourth violation: (D)
 - (3) Individuals who test positive for illegal drugs or who are in possession of illegal drugs on company property will be disciplined as follows:
 - First violation: treatment as outlined in paragraph H on page 17 of Drug Policy EMPL114 (September 2014)
 - Second violation: (TL-3)
 - Third violation (D)
 - (4) Absenteeism without leave or without satisfactory explanation. (TL-3) (TL-5) (D)
- (d) Written reprimands by the Commission in connection with a violation shall be removed from the employee's record eighteen (18) months from the date they were issued, TL1 after 24 months, all other 30 months. Such removal shall not void more current reprimands for the same offense or otherwise. All TL prior to the signing of the 2014 Contract will be removed in 18 months from original issuance date.

ARTICLE XII - GENERAL WORKING RULES

Section 1. TEMPORARY TRANSFERS

An employee temporarily transferred to a higher paid classification and who performs the work involved for four (4) consecutive hours or more shall receive the rate of pay of that classification for the entire period of the transfer. All such transfers shall be approved or denied by the Department Head or their designee and conveyed to the affected employee as soon as practicable. Each department head will convey the proper process for submitting upgrades to employees under their supervision. This provision, however, shall not apply to transfer of employees to higher paid classifications for training purposes.

For the purposes of this section it shall be recognized that if an employee is within one (1) year of completion of any apprenticeship program after third (3rd) year books have been completed and the Department Head indicates approval, that individual shall be qualified to be upgraded under this section.

As per the Agreement (Effective January 13, 1992) for upgrade pay to employees through a holiday or weekend, the following criteria will apply. In all cases, an individual must be upgraded before and after a holiday or weekend period to get the upgrade pay.

- (a) If any employee is upgraded to Crew Leader before a weekend or holiday period, the employee will be paid at Crew Leader level throughout the period, even though his upgrade would drop to Assistant Crew Leader after the period.

- (b) If an employee is upgraded to an Assistant Crew Leader before a weekend or holiday period and subsequently upgraded to a Crew Leader on the day following this period, the employee will be paid at Assistant Crew Leader's pay throughout the weekend or holiday period.
- (c) Copies of all transfer requests which are approved/disapproved by the Department Head are to be forwarded to the affected employee(s), (NOTE: This wording taken from Memo of Agreement dated 3/1/78.)
- (d) Vacancies within a department may be filled temporarily for a maximum of 30 working days a calendar year, unless an emergency situation deems it necessary to extend the transfer.
- (e) Utility Worker-Fuel Handlers and Plant Operations Auxiliary Operator/Utility are exempt from the 30 day limitation under Sec. 1(c) of this Article Temporary transfer of Utility Worker-Fuel Handlers and Plant Operations Auxiliary Operator/Utility shall be subject to the other provisions of this Article regarding transfers, however. Temporary transfer of Utility Worker-Fuel Handlers shall be in accordance with seniority within a crew.

If a Utility Worker-Fuel Handler, Meter Reader Utility Person, Plant Operations Auxiliary Operator/Utility of any future designated "utility" person is transferred to another department, this transferred worker may work overtime shifts in that department and be subject to be called for overtime work in their base department, if the worker is available.

Utility employees shall be given the opportunity to transfer to another department prior to utilizing temporary employees provided that the department they are transferred from has a full complement of able bodied, fully licensed staff. Utility Worker-Fuel Handler Crew would at a maximum allow two employees and Meter Reading Department would allow one employee to be transferred at any one time.

- (f) In an instance when the employer chooses to return an employee to work prior to reaching maximum medical improvement due to a worker's compensation injury and places such employee in the same or a different classification of work such an assignment shall be classified as a "light duty work assignment."

Section 2. TEMPORARY TRANSFER FOR TRAINING

Employees transferred to a lower classification for training purposes shall not have their salary reduced.

Section 3. LICENSE AND CERTIFICATE REQUIREMENTS

All Engineers, Firemen or other employees, who pursuant to any Federal, State or local law or regulation must have a license or certificate, must obtain same as a condition of their employment.

Section 4. PAY GRADE ADVANCEMENT

Upon recommendation of the Department Head, and approval by the General Manager, an employee may advance from one pay grade to another within the same classification, after one full year of satisfactory service in each grade; provided a job vacancy exists at the next higher level. At the end of the one-year period, the Department Head shall meet and confer with the employee involved for the purpose of discussing the following:

- (a) Whether or not a vacancy currently exists at the next level within the classification ladder.
- (b) Whether or not the employee involved is qualified, based on performance of the past year, to be promoted to the next higher level when a vacancy occurs.
- (c) If the employee is not qualified, what is expected of him/her within the next six (6) months to qualify, when a vacancy occurs.

Section 5. PERSONAL BUSINESS ON WORK TIME

No personal business shall be conducted during business hours unless permission is granted by the Department Heads.

Section 6. POSTING FOR JOB VACANCIES WHILE ON LEAVE

If an employee, before going on vacation or sick leave, notifies the Commission in writing that he/she desires to bid on any particular vacancy for which there may be a posting in his/her absence he/she shall be sent, at his/her home address, a copy of such posting and the required number of copies of the bid form so that he/she may submit his/her bid in like manner as if he/she were not absent.

Section 7. CLASSIFICATION PAY

When an employee applied for and is assigned to a new classification, he/she shall receive the rate of pay for that classification.

Section 8. TRAINING FOR NON-APPRENTICABLE, PROGRESSIVE POSITIONS

Individuals holding positions that are non-apprenticeable jobs and are subject to progression as provided by "Appendix A" before advancing to the next step may be required, by agreement between the Commission and the Union, to take and successfully complete relevant education courses in technical schools, seminars or correspondence courses. Upon satisfactory completion of such courses, the employee will be reimbursed for tuition and the cost of his/her books.

Section 9. HPU COMPANY VEHICLES

The Commission shall make a company vehicle available to all employees for necessary work related activities.

ARTICLE XIII - FILLING JOB VACANCIES

Section 1. POSTING PROCEDURE

Notice of all vacancies and new positions within the bargaining unit shall be posted on the employee's bulletin boards and employees shall have ten (10) working days' time within which to make application to fill such vacancy or new position; but this provision shall not apply to Apprenticeable Jobs or to those positions that are to be filled through automatic progression within the job ladder on the "firing line". Procedures in filling "Apprenticeable Jobs" are set forth later in this Section.

- (a) In filling job vacancies and new positions, under this Paragraph, preference shall be given to the senior qualified employee. In judging employee's qualifications for the job, the following factors shall be considered:
- 1) Ability to perform related work
 - 2) Attitude
 - 3) Aptitude
 - 4) Versatility
 - 5) Efficiency
 - 6) Past experience
 - 7) Physical qualifications
 - 8) Appropriate license(s) where required by State or Federal Law (or avail himself/herself within the sixty (60) day probationary period.
- (b) All vacancies and new positions within the bargaining unit posted under this Section shall be awarded no later than the next Public Utilities Commission meeting following the posting application period. The employee will be transferred to the position no later than thirty (30) working days for non-shift employees, and 180 working days for firing line employees, unless an

emergency situation warrants a delay in the transfer. If there is mutual agreement between the employee, employer, and AFSCME Local 94 to extend the transfer period beyond the time listed, it will be memorialized in letter specific to the individual situation. Restrictions on the length of time to be determined on a case-by-case basis.

- (c) An employee filling such a position shall be on probation for a period of forty-five (45) calendar days and, if while he/she is on probation, the Commission or the employee determines that he/she is unqualified for that position, he/she shall be returned to his/her prior position without posting.
- (d) A new employee to the HPUC filling a position within the Firing Line Job Ladder shall not be permitted to bid on a position outside of the department during his/her first two (2) years of employment with the Public Utilities Commission. In the event that a posted position is unfilled by another employee within the utility, the position will be offered, in order of seniority, to employees with less than two years of employment at the utility. If the position is accepted by an employee with less than two years of employment, transfer of that employee to the posted position will occur after a replacement has been hired and trained to fill the posting employee's position.
- (e) The probation period will be 45 calendar days for current employees and six (6) months for newly hired employees.
- (f) An employee, during his/her probationary period, who takes more than five (5) days of vacation, sick leave, or other personal time off, will have his/her probationary period extended by the amount of time over the five (5) days allowed.
- (g) If Management and the employee determine an employee is qualified for the position before the 45 calendar day probationary period has expired, the employee will be awarded the position at that time.
- (h) PROMOTIONS FOR METER TECHNICIANS, ENGINEERING TECHNICIANS, SERVICE CLERK
 - 1) An employee posting and subsequently awarded a Meter Technician "C" position can be promoted to a Meter Technician "B" after the initial 45-day probationary period if:
 - a) The employee has been through one Utility Instrumentation, Plant Electrician, or Lineman Apprenticeship Program.
 - b) Approved electrical trade background (documented) work.
 - c) Management department head and Crew Leader agree to promote.
 - d) After each year of service in a qualifying position the employee shall move to the next step in the classification, either B or A.
 - 2) PROMOTION FROM ENGINEERING TECHNICIAN TO DESIGN ENGINEERING TECHNICIAN
An employee posting and subsequently awarded an Engineering Technician position can be promoted to a Design Engineering Technician after the initial 45 day probationary period or after one (1) year of service in the Engineering Technician position the employee shall be promoted to Design Engineering Technician position.
 - 3) PROMOTION FROM CLERK 1 TO CLERK II POSITION
An employee posting and subsequently awarded a Clerk 1 position can be promoted to a Clerk 2 position after the initial 45 day probationary period or after one (1) year in the Service Clerk 1 position the employee shall be promoted to the Service Clerk 2 position.
 - 4) WRITTEN PROMOTION REVIEWS
For all three job descriptions, the one-year promotion will be documented with a written review performed by both the Crew Leader and Department Head, as applicable, taking into consideration applicable bookwork progress. If there is a difference of opinion of the recommended promotion, the grievance process as detailed in Article X can be utilized.

Section 2. APPRENTICEABLE VACANCIES

- (a) In filling job vacancies within any of the apprenticeable jobs, first consideration must be given to individuals with the most seniority within the department where the vacancy exists. Should apprenticeship vacancy not be filled from within the department, then the most senior qualified employee elsewhere within the plant will be given the opportunity to fill the position. Whether an individual is qualified to fill a vacant apprenticeable job shall be determined in accordance with the procedures set forth in the Apprenticeship Standards portion of this Agreement.
- (b) Where practical, the entry-level position within each department that uses the Apprenticeship Program shall first be posted. Except with the approval of the Functional Joint Apprenticeship Committee (FJAC), an individual who successfully bids for an "entry level position" must accept the next vacant apprenticeship within the department.
- (c) When an entry-level position within an Apprenticeship Job Ladder is filled from within the Utility, the rate of pay for the employee filling the position shall be the established rate set forth under Appendix "C". All Apprenticeship applicants shall be slotted 15 working days after the employee accepts the new position. Should the vacancy be filled from outside the Utility, the Apprentice will be slotted by the Functional Joint Apprenticeship Committee (FJAC) in accordance with its standards, and the rate of pay shall be in accordance with Appendix "C".
- (d) Even though departmental seniority prevails under certain aspects of the new Apprenticeship with regard to the filling of apprenticeship vacancies; plant wide seniority shall prevail in the event of reduction of force.
- (e) When an apprenticeship vacancy is filled from within the department in which the vacancy exists, the employee will receive his/her current rate of pay or the normal starting rate for the apprentice vacancy involved, whichever is highest. When such a vacancy is filled by an individual from another department, he/she shall receive the normal starting rate of pay for the position. Progress within the respective apprenticeable position shall be in accordance with the established apprenticeship pay schedules as set forth in Appendix "C".

The Commission shall post internally every other open apprentice lineman position within the bargaining unit and shall accept the senior qualified applicant even if they do not meet the schooling requirements of the posting. If a lineman apprentice should post out of the apprentice position to another position within the Utility, they shall have to reimburse the Utility of all program cost incurred to date unless the post out is for a valid medical reason. If Minnesota Department of Labor and Industry should determine that the Utility Apprenticeship Program is an inadequate alternative for meeting the schooling requirements and that schooling is necessary for qualified linemen, then the Commission shall be released from this commitment. If Minnesota Department of Labor and Industry should determine that the Utility apprenticeship program might be adequate with changes, then the Commission shall implement changes provided that the total cost of the changes does not exceed \$2,000. Should the cost of the changes exceed \$2,000, then the Commission shall be released from this commitment but the Commission and the Union shall meet and confer to if the changes should be made and who should bear the cost of the changes.

- (f) If a vacancy occurs on a crew which is part of the Apprenticeship program, and Management determines to post for the vacancy, Management will post for an apprentice if the apprentice position is not already filled. Crews with 3-4 members may have one apprentice; crews with 5 or more members may have two apprentices. This language, however, does not limit the number of apprentices on any crew.

Section 3. VACANCIES ON THE FIRING LINE

- (a) It is the basic policy of the Public Utilities Commission that the employees holding positions falling within the progression ladder on the "firing line" must advance to higher positions within the progression ladder, as vacancies occur, provided they are the most senior employee, as well as otherwise qualified, including time in grade, appropriate State certification, health and any other provisions of this contract which deems or defines whether or not a given employee is qualified. An individual who refuses such promotion shall be dealt with as follows:
- (1) An employee is required under the terms of this Agreement, to accept a promotional opportunity within the "firing line" progression ladder and, if he/she refuses, the employee shall be demoted to the next lower job classification within the job ladder with a corresponding reduction in pay. For extreme cases determined by Management, a maximum of two employees frozen into a position will be allowed. Should a third employee refuse to accept a promotional opportunity, that employee shall be demoted to the Fireman Helper position with a corresponding reduction in pay. For the purposes of automatic progression within the new job classification, subject employee shall be considered lowest on the seniority list.
 - (2) For the purpose of bidding on posted job vacancies, other than those within the "firing line" progression ladder, the regular seniority provisions of this contract shall apply.
 - (3) As relief positions become vacant within a job classification job ladder on the firing line; the position will be filled by the most senior individual, who wants the position within the job classification where the vacancy exists. In the absence of any of the more senior employees within the job classification wanting the assignment, the least senior individual must take the relief assignment. Once assignment has been made to the relief position, that individual can keep that assignment until such time as the employee changes job classification as set forth in this Agreement.
- (b) After the effective date of this Agreement, an employee upgraded within the "firing line" job ladder, shall be accepting subject promotion, be considered to have signified the employee's willingness to accept further training for the purpose of further upgrading within the job ladder, as vacancies exist. Should the employee not so signify, the Commission shall have the right to demote the subject employee and find a replacement willing to advance.

In filling job vacancies within the Firing Line, first consideration must be given to individuals with the most plant wide seniority within the Firing Line. Should the vacancy not be filled from within the Firing Line, then the most senior qualified employee elsewhere within the plant, through the job posting procedure, will be given the opportunity to fill the position.

- (c) Employees hired as Fireman Helper Trainees must have a Special Boiler License or obtain within sixty (60) days.

ARTICLE XIV - ATTENDANCE OF EMPLOYEES AT UNION MEETINGS

Any employee selected to represent the Union at the Local, State District, or International level and the meeting(s) require his/her absent from duty shall be allowed to attend such meeting(s) with proper written notice 24 hours excepting employees working on the firing line, they shall provide 48 hours written notice.. This time off will be considered vacation day(s), personal day(s), furlough day (s), or leave of absence with insurance benefits paid by the Commission. The Utility is not responsible for any loss of PERA, Social Security or Medicare contribution if an employee chooses to take a leave of absence for attending a union meeting.

ARTICLE XV - GENERAL PROVISIONS

Section 1. POSTING ON BULLETIN BOARDS

The Union shall be permitted the use of bulletin boards for posting matters of interest to its members.

Section 2. WORKERS' COMPENSATION PAYMENTS

An employee, who is away from work due to a work-related injury and is receiving workers compensation benefits, may elect not to use any accrued leave time or may use one-third per day from their accrued leave time. It is understood that the additional payments made to such an employee over and above that paid by Workmen's Compensation shall not exceed the amount of credits to which he/she is entitled to on account of his accrued vacation and sick leave benefits and while his disability continues, the Commission will provide for him/her the insurance coverage provided for in Section 5 of this Article.

Section 3. WORKERS' COMPENSATION INSURANCE

The Commission and the Union agree that Workers' Compensation insurance for the employees shall be provided as required by M.S.A. 268.11, Subd. 3, and any other applicable law, rule, or regulation.

Section 4. JURY DUTY

The Commission shall supplement the compensation of an employee on jury duty so that his/her total compensation will be the same as if he/she had been working and paid at his/her regular rate. However, if such an employee, after reporting for jury duty is excused for the day, he/she must report back to work.

Section 5. INSURANCE

- (a) The Commission shall continue to provide for its employees as it is now doing at the same level for comprehensive medical.
- (b) The Employer agrees to provide to all eligible Employees and retirees comprehensive group health insurance from Public Employee Insurance Program (PEIP). A Health Savings Account H.S.A or VEBA shall be provided for all eligible and active employees. A VEBA/HRA will be provided to eligible early retirees that are not yet Medicare eligible.

The parties agree that the Employer shall enter into a two-year medical insurance agreement beginning, January 1, 2020 with PEIP as the medical insurance provider.

The Employer will contribute \$3,500 annually to an employee's single health savings account HSA or VEBA or \$7,000 annually to an employee's family HSA or VEBA. Contributions will continue in subsequent years unless otherwise negotiated.

Any retiree currently on the active employee health insurance plan will receive the same plan provider, plan design, and plan deductible contributions from the employer as current active employees.

- (c) Plan Premiums: The employer shall pay 95% of the premium costs for both single and family plans. The employee shall pay 5% of the premium costs for both single and family plans.
- (d) Life insurance will be provided to the employee equal to one (1) year's base wage rounded to the next \$5,000 plus \$10,000 with a cap of \$60,000, which also includes dependent coverage.

- (e) Dental insurance will be provided at the same level as it is now provided including a \$1,000 lifetime maximum per eligible dependent orthodontic procedure coverage. Dental coverage increase from \$700 to \$3,000.

Section 6. RETIREMENT INSURANCE

- (a) The Commission shall continue to provide medical coverage for retired employees who, upon their retirement, have at least ten years of service and are otherwise qualified to receive benefits provided by the Public Employees Retirement Association, except that for employees who are also eligible for Federal Medicare, the Commission will only provide supplemental h medical coverage.
- (b) For retired employees hired after 1/1/85 who are eligible for Federal Medicare, the Commission will provide supplemental medical coverage h. The retired employee has the right to continue his/her insurance at his/her cost between the periods from his/her effective retirement date until he/she qualifies for Federal Medicare.

Employees hired after 1/1/18 the employer shall not provide post retirement insurance. In accordance with Article IX, Section 2D, Seniority, Any employee who is laid off and subsequently recalled within two (2) years of the effective layoff date shall retain their original seniority date and shall not fall under this provision.

- (c) Retired employees, when eligible for Commission paid health insurance benefits, will receive the same health insurance coverage that they received while they were working, at the time of their retirement. All applicable terms of paragraphs (a) and (b) above regarding provision of supplemental insurance still apply. For purposes of this section “same” shall be defined as no harm to the employee and benefit levels stay the same.
- (d) Upon retirement, the Commission shall provide the employee with a \$1,500 paid-up life insurance policy or its equivalent.
- (e) The Employer agrees to provide to all eligible Employees and retirees comprehensive group health insurance from Public Employee Insurance Program (PEIP). A Health Savings Account H.S.A or VEBA shall be provided for all eligible and active employees. A VEBA/HRA will be provided to eligible early retirees that are not yet Medicare eligible.

The parties agree that the Employer shall enter into a two-year medical insurance agreement beginning, January 1, 2020 with PEIP as the medical insurance provider.

The Employer will contribute \$3,500 annually to an employee’s single health savings account HSA or VEBA or \$7,000 annually to an employee’s family HSA or VEBA. Contributions will continue in subsequent years unless otherwise negotiated.

Any retiree currently on the active employee health insurance plan will receive the same plan provider, plan design, and plan deductible contributions from the employer as current active employees.

Section 7. MILITARY LEAVE

Subject to all terms and provisions of M.S.A. 192.26, during the term of this Agreement, we will follow the current law.

Section 8. FUNERAL LEAVE

(a) When a death occurs to the individuals indicated in the table below, the employee shall, upon request, be excused and paid for the number of consecutive scheduled shifts shown in the table below provided, however, that the date of the funeral falls within this period and it is established that the employee attended the funeral.

Employee's	Number of Days
Legal Spouse	5
Child (biological, step, adopted, foster as defined in Article VII, Section 1 (d))	5
Sister or brother (biological or step)	3
Mother or father (biological or step)	3
Grandparents (biological or step)	1
Grandchildren (biological or step)	1
Employee's Legal Spouse's	
Mother or father (biological)	3
Mother or father (step)	2
Son or daughter	3
Sister or brother	1
Grandparents or grandchildren	1
Step-brother, step-sister, step-child, step-grandchild, or step-grandparent	1

- (b) If it is necessary for the employee to travel more than 150 miles for the funeral, one way, he/she shall be entitled up to an additional two (2) days, such leave with pay.
- (c) Such leave shall not be charged against the employee's sick leave account.
- (d) An employee will not receive funeral pay when it duplicates pay received for time not worked for any other reason.

Section 9. RETIREMENT NOTICE

If the Union and Management are unable to come to an agreement, prior to the expiration of the current Bargaining Agreement, it is hereby agreed to let employees eligible for retirement on the date of contract expiration, have 30 calendar days after the ratification of a new Bargaining Agreement to decide to retire under the terms of the expired Bargaining Agreement, retirement to be effective 90 days after submittal of retirement notification.

Section 10. SURVIVING SPOUSE INSURANCE

Upon the death of an active employee while in the employ of the Public Utilities Commission, the surviving spouse shall receive, for one (1) month following the month of the death, medical coverage at the Commission's expense.

Section 11. LONG TERM DISABILITY INSURANCE

Effective April 1, 1997, the Commission shall provide a policy of long-term disability insurance with a ninety (90) day waiting period and benefits and 2/3 of salary to age 65. Additional details regarding eligibility for coverage and condition of benefits are as set forth in the policy itself.

Section 12. WORKER FLAME RESISTANT (FR) CLOTHING

The Policy originates from OSHA Standard 1910.269, which prohibits the wearing of synthetic clothing (rayon, polyester, nylon, or acetate) that could increase the extent of injuries to employees exposed to electric arcs or flames.

- 1) The Utility will purchase FR clothing that is required for Linemen, Electricians, Meter Shop, Design Engineering Technician, Instrumentation, Superintendent of Electrical Systems, and the Director of Electrical Systems. If approach distances require or do not require changes in the FR clothing position list, this list will be updated to comply with the revised regulations.
- 2) FR clothing that is torn will be returned to the Warehouse and it will be sent to the vendor for repairs (Utility's expense). Employees will not repair damaged FR clothing.
- 3) The Purchasing Supervisor will order and issue FR clothing.

Section 13. RETIREMENT PLAN

Hibbing Public Utilities will provide a 401A Retirement Plan for anyone hired after 1/1/85. This plan trustee will be the President of AFSCME Local 94. Hibbing Public Utilities will contribute up to 3% of any participant's wages as matching funds of the participant's contribution. I.E., if someone contributes 2% of their wages, Hibbing Public Utilities will match 2%. This plan shall be frozen, effective 10/16/2018.

Effective 10/16/2018, Hibbing Public Utilities will provide a 457 Retirement Plan for all employees hired after 1/1/85. Selection of financial advisors will be mutually agreed upon by the union and management. Decisions affective the solvency of the plan and adjustments to plan options shall first be discussed with Local 94 appointed representatives.

Section 14. RANDOM DRUG TESTING

HPUC will establish a random drug testing program, in addition to the Drug and Alcohol Free Workplace Policy (EMPL114). All employees, union and management, will be included in this random drug testing program. An outside firm will administer the program, informing HPUC staff of those employees who have been selected for random drug testing. All other aspects of the random drug testing program will conform to the Drug and Alcohol Free Workplace Policy (EMPL114).

Section 15. TRAINING STIPEND

Up to five hundred dollar (\$500.00) shall be available for Training per calendar year shall be available for all current employees employed at the time of signature of this agreement (2018-19) or any employees hired during the duration of this agreement (2018-19). The Training course stipend shall be available for any continuing education of value to Hibbing Public Utilities. Employees interested in utilizing this provision must seek approval from the General Manager or designee for said course work. Upon completion of the approved course with a passing grade in a pass/fail course, or B grade level or higher the employee shall then submit the receipt for the completed coursework for reimbursement.

ARTICLE XVI - WAGES AND JOB EVALUATION

Section 1. WAGE RATES

Appendix "A" to this Agreement represents the authorized Job Classifications along with their Wage Rates.

Section 2. LONGEVITY PAY

Employees with the following years of service shall be entitled to the percentage increase shown in the table below. This is applicable to base pay only.

Years of Service	Percentage Longevity Pay
10 yrs	2%
15 yrs	2.5%
20 yrs	3%
25 yrs	4%
30 yrs	5%

Section 3. INCENTIVE PAY (Licenses and Certification)

(a) Employees who hold the below listed job classifications along with the identified license or certification shall receive incentive pay indicated, only as long as they hold the subject job classification.

Position and License	Per Pay Period Rate		
	2020	2021	2022
Plant Operations Shift Coordinator Plant Operations Auxiliary Operator II, Chief "A" Operator's License	34.63	35.50	36.39
Plant Operations Auxiliary Operator II First Class "A" Operator's License	21.67	22.21	22.77
Plant Operations Operator I, First Class "A" Operator's License	21.67	22.21	22.77
Water Crew Leader, Water Supply "A" License	18.02	18.47	18.93
Journeyman and Assistant Water Crew Leader, Water Supply Grade "B" License	18.02	18.47	18.93
Journeyman and Assistant Heat Crew Leader, Water Mechanics, and also, Apprentices who have completed more than two years apprentice training who obtain certification in welding in accordance with HPUC qualification for 100 PSIG distribution pipe welding	43.31	44.39	45.50
Journeyman Electricians, Instrumentation Crew Leader and Instrument Technician Journeyman will be paid if he/she obtains and holds a Master Electrician's License. This is applicable if not required in his/her job description.	38.99	39.97	40.96
Journeyman Electricians, Instrumentation Crew Leader and Instrument Technician Journeyman will be paid if he/she obtains and holds a Journeyman Electrician's License. This is applicable if not required in his/her job description.	25.98	26.63	27.30
Journeyman Electricians, Instrumentation Crew Leader and Instrument Technician Journeyman will be paid if he/she obtains and holds a Journeyman Electrician's License. This is applicable if not required in his/her job description.	24.86	25.48	26.11

(b) The Commission shall pay for all licenses required to perform their job duties; namely, Chief "A" Operator's License, First Class "A" Operator's License, Second Class "A" Operator's License, Water Supply "A" and "B" License, and a Class "B" Driver's License. A Journeyman and Master Electrician's License will be paid if required by the HPUC.

- (c) The Utility shall grant time off without loss of pay for all employees who take tests for licenses and certificates required for respective job position t. Only reasonable time required for travel and taking of the test will be given off.
- (d) The incentive pay to the above jobs will be increased each successive year after the 1991 base Year rate by the same percentage as the average wage rate increase.

Section 4. PLANT MECHANIC CLOTHING ALLOWANCE

Each Plant Mechanic shall receive an annual clothing allowance of \$70.00.

ARTICLE XVII - APPRENTICESHIPS

Section 1. APPRENTICESHIP STANDARDS

For the purpose of establishing orderly training programs for apprenticeships, the Commission and the Union have established "Apprenticeship Standards" which are included in this Agreement as Appendix "B".

Section 2. APPRENTICEABLE JOB PAY SCHEDULE

The Pay Schedule as well as a List of Apprenticeable Jobs and Related Entry Jobs are attached to this Agreement as Appendix "C".

Section 3. FILLING APPRENTICEABLE JOB VACANCIES

- (a) In filling job vacancies within any of the Apprenticeable jobs, first consideration must be given to individuals with the most seniority within the department where the vacancy exists. Should the apprenticeship vacancy not be filled from within the department, then the most senior qualified employee elsewhere within the Utility will be given the opportunity to fill the position. Whether an individual is qualified to fill a vacant apprenticeship job shall be determined in accordance with the procedure set forth in the Apprenticeship Standards portion of this Agreement.
- (b) Where practical, the entry-level position within each department that uses the Apprenticeship Program, shall first be posted. Except with the approval of the Functional Joint Apprenticeship Committee, an individual who successfully bids for an "entry level position" must accept the next vacant apprenticeship within the Department.
- (c) When an entry-level position within an Apprenticeship Job Ladder is filled from within the Commission, the rate of pay for the employee filling the position shall be the established rate set forth under Appendix "C". All Apprenticeship positions shall be awarded no later than the next Public Utilities Commission meeting following the posting application period. Apprentice applicants shall be slotted within 15 working days after the Commission awards the position. Should the vacancy be filled from outside the Commission, the Apprentice will be slotted by the Functional Joint Apprenticeship Committee (FJAC) in accordance with its standards, and the rate of pay shall be in accordance with Appendix "C".
- (d) When an apprenticeship vacancy is filled from within the department in which the vacancy exists, the employee will receive his/her current rate of pay or the normal starting rate for the apprentice vacancy involved, whichever is highest. When such a vacancy is filled by an individual from another department, he/she shall receive the normal starting rate of pay for the position.

Section 4. ELIMINATION FROM APPRENTICESHIP PROGRAM

An employee eliminated from an Apprenticeship Program under the Functional Joint Apprenticeship Committee Guidelines shall be retained in his/her position a maximum of thirty (30) additional calendar days beyond the effective date of the action taken by the Committee. During the subject thirty (30) day period, the employee shall be able to bid on any job posted under Article XIII, Section 1, of the current Union Agreement. If employee is unsuccessful in bidding for a posted job or if there are no jobs posted during the thirty (30) day period, the employee will then automatically be transferred to the position of Utility Worker-Fuel Handler, even though there is a full complement of personnel in that department.

ARTICLE XVIII - ADA/WORKERS' COMPENSATION

Section 1. PURPOSE

The Union and the Commission agree that they have a joint obligation to comply with the Americans with Disabilities Act (ADA). The Union and the Commission agree that they have the obligation to consider accommodation requests from qualified ADA individuals and employees returning from Workers' Compensation injuries.

The Commission shall provide these reasonable accommodations in a fair and equitable manner. Should reasonable accommodations request(s) raise the question of waiving the collective bargaining agreement, the Commission and the Union shall follow the procedures in Section 3.

Section 2. PROCESS

Upon request, an employee seeking reasonable accommodation shall be entitled to Union representation. The Union representative and the employee shall be allowed a reasonable amount of time during working hours, without loss of pay, to discuss the request. The Commission shall review employee requests for reasonable accommodations considering ADA guidelines on equipment purchase or modification, accessibility improvement, and scheduling modifications, and/or restructuring of current positions and duties allowable under the collective bargaining agreement, before considering or requesting waiver of the collective bargaining agreement.

If the Commission determines that contract waiver is necessary, the Commission shall contact the Union to convene a meeting and confer to be held within a reasonable time during normal working hours with Union designee(s) on Commission paid time. At this meeting, the Commission shall inform the local Union of the employee's restriction(s) subject to each party's confidentiality obligations, the specific article(s) to be waived in the manner in which the Commission proposes to modify that article(s).

At this meeting, the Commission shall also consider addition options presented by the Union. Between the meet and confer and notification to the Commission of the Union's decision on the waiver, the Commission may make temporary accommodations. Any contract waiver must be agreed to by both the Commission and the Local Union or the Council Executive Board.

If an employee's job duties are changed as a result of an accommodation, the employee's supervisor shall inform the employee's co-workers of any restriction that might impact on their job duties. The supervisor shall use discretion when relaying this information.

HIBBING PUBLIC UTILITIES/AFSCME LOCAL 94 1/1/2020-12/31/2022

ARTICLE XIX DEFINITIONS

SHALL – for the purposes of this Agreement, the word “shall” indicates mandatory in nature.

WILL – for the purposes of this Agreement, the word “will” indicates mandatory in nature.

ARTICLE XX DURATION AND INTENT TO NEGOTIATE

Section 1. DURATION OF AGREEMENT

This Agreement shall take effect January 1, 2020 and remain in full force and effect until December 31, 2022.

Section 2. MODIFICATIONS TO AGREEMENT

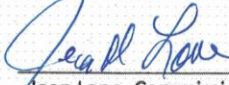
Should either party elect to modify any portion of any of the terms of this Agreement, to be effective after its termination, it shall notify the other party, in writing, not less than ninety (90) calendar days prior to the expiration date. Negotiations upon such proposed changes or amendments shall begin not less than eighty (80) calendar days prior to the expiration date.

Section 3. LETTERS OF UNDERSTANDING

The Union and Commission agree, with the approval of the Commission and Union membership, that Letters of Understanding are acceptable under this agreement, and once all parties to a particular Letter of Understanding are in agreement, the Letter of Understanding will be immediately inserted into the current bargaining agreement as an addendum thereof without causing the bargaining agreement to be otherwise reopened.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers on the day and year first above written.

PUBLIC UTILITIES COMMISSION OF THE
CITY OF HIBBING



Jean Lane, Commission Secretary

, General Manager

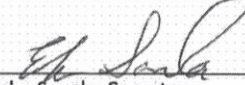


Jeff Hart, Commission Chair

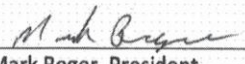
4/14/2020

Date

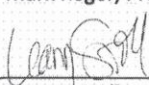
AMERICAN FEDERATION OF STATE, COUNTY
AND MUNICIPAL EMPLOYEES LOCAL 94



Esko Savela, Secretary



Mark Reger, President



Leeann Stoll, Union Staff Representative

4/14/2020

Date

Appendix A Job Classifications and Hourly Wage Rates

Job Title	Job Class	2020 2.50%	2021 2.50%	2022 2.50%
Unknown	20	43.60	44.69	45.81
unknown	19	41.52	42.56	43.62
Unknown	18	39.44	40.43	41.44
Unknown	17	37.36	38.29	39.25
Line Crew Leader	15	36.46	37.37	38.30
Water Crew Leader	15	34.42	35.28	36.16
Heat Crew Leader	15	34.42	35.28	36.16
Instrumentation Crew Leader	15	34.42	35.28	36.16
Plant Electrician Crew Leader	15	34.42	35.28	36.16
Plant Operations Crew Leader (Ch Op Engr)	15	34.42	35.28	36.16
Assistant Line Crew Leader	14	33.28	34.11	34.96
Plant Mechanic Crew Leader	14	32.44	33.25	34.08
Plant Operations Shift Coordinator (Shift Engineer)	14	32.44	33.25	34.08
Assistant Heat Crew Leader	14	31.35	32.13	32.93
Instrumentation Technician	14	31.35	32.13	32.93
Meter Technician Crew Leader	14	31.35	32.13	32.93
Lineman	13	31.20	31.98	32.78
Plant Operations Auxiliary Operator II (Asst Shift Engr)	13	29.94	30.69	31.46
Assistant Water Mechanic Crew Leader	13	29.40	30.14	30.89
Plant Electrician	13	29.40	30.14	30.89
Head Cashier	13	29.40	30.14	30.89
Plant Mechanic	12	27.42	28.11	28.81
Plant Operations Operator I (Fireman)	12	27.42	28.11	28.81
Heating Mechanic	12	27.42	28.11	28.81
Water Mechanic	12	27.42	28.11	28.81
Transportation Mechanic	11	27.17	27.85	28.55
Assistant Transportation Mechanic (unknown class)				
Utility Billing Specialist	11	26.72	27.39	28.07
Meter Technician "A"	11	26.29	26.95	27.62
Warehouse Clerk/Utility	11	25.46	26.10	26.75
Utility Worker/Plant Operations Fuel Handling	11	25.46	26.10	26.75
Service Clerk II	11	25.46	26.10	26.75
Cashier	10	24.58	25.19	25.82
Meter Reader/Utility	10	23.49	24.08	24.68
Maintenance Custodian/Utility Worker	10	23.49	24.08	24.68

Vacant positions

<i>Superintendent of Electrical Systems</i>	19	41.52	42.56	43.62
<i>Senior Design Engineering Technician</i>	15	33.33	34.16	35.01
<i>Design Engineering Technician</i>	14	31.35	32.13	32.93
<i>Relief Operator No. 1</i>	14	32.44	33.25	34.08
<i>Relief Operator No. 2</i>	14	32.44	33.25	34.08
<i>Senior Fireman</i>	14	31.35	32.13	32.93
<i>Relief Operator No. 3</i>	13	29.94	30.69	31.46
<i>Assistant Plant Mechanic Crew Leader</i>	13	29.40	30.14	30.89
<i>Coal and Ash Crew Leader</i>	12	28.52	29.23	29.96
<i>Lead Coal and Ash</i>	12	27.42	28.11	28.81
<i>Engineering Technician</i>	12	27.42	28.11	28.81
<i>Meter Technician "B" **</i>	10	24.89	25.52	26.15
<i>Programmer/Acctg Clerk</i>	11	25.92	26.57	27.23
<i>Plant Oiler</i>	11	25.46	26.10	26.75
<i>Service Clerk I</i>	10	23.49	24.08	24.68
<i>Meter Technician "C"</i>	10	23.49	24.08	24.68
<i>Fireman Helper</i>	10	23.49	24.08	24.68
<i>Assistant Cashier</i>	10	23.49	24.08	24.68
<i>Fireman Helper Trainee</i>	10	20.99	21.51	22.05

*Second Engineer and Relief Operator No. 3 shall be placed halfway between Plant Operations Operator I and Plant Operations Shift Coordinator

** Meter Technician "B" shall be placed halfway between Meter Technician "A" and Meter Technician "C"

Hay Evaluation Point System:

Job Class	Point Range	Wage
Job Class 16	376-425	\$ 32.29/hr.
Job Class 15	325-375	\$ 30.49/hr.
Job Class 14	275-324	\$ 28.69/hr.
Job Class 13	225-274	\$ 26.89/hr.
Job Class 12	175-224	\$ 25.09/hr.
Job Class 11	125-174	\$ 23.29/hr.
Job Class 10	75-124	\$ 21.49/hr.

APPENDIX B HPUC/LOCAL 94 APPRENTICESHIP STANDARDS

(Effective March 1, 1977)

For the purpose of establishing orderly training programs for apprenticeships, as set forth in the Agreement between the Public Utilities Commission and the Union, standards of apprenticeship and Joint Apprenticeship Committees shall be established as follows:

FUNCTIONAL JOINT APPRENTICESHIP COMMITTEE

There shall be a Functional Joint Apprenticeship Committee to cover all apprenticeable job classifications.

Duties:

- (1) Functional Apprenticeship Committee shall meet from time to time to carry out the duties of this Committee.
- (2) To formulate and put into operation a training program appropriate for the respective apprenticeable job classifications. This program, subject to the approval of the Joint Supervisory Apprenticeship Committee, shall include:
 - a. A schedule of work experience and job rotation plan that will give the apprentice adequate experience in all phases of the training program.
 - b. A suitable course and schedule of related technical training for each apprentice classification.
 - c. Appropriate instruction for the various programs.
- (3) To maintain a system of records that will satisfactorily show the record of each apprentice's progress in a program.
- (4) Any matter requiring action that is not resolved by the Functional Joint Apprenticeship Committee shall be submitted through the normal grievance procedure
- (5) The Functional Joint Apprenticeship Committee shall be composed of three (3) representatives of the Union and three (3) representatives of Management.

Representation as provided in the paragraph entitled "Adjustment of Differences" shall not be considered as service on a committee.

APPRENTICESHIP CONTRACT

Each beginning apprentice and his/her parent or guardian, if he/she is a minor, shall enter into an apprenticeship contract with the Commission in which he/she agrees to abide by the standards for his/her apprenticeship course.

Apprentices who commence their program prior to the adoption of these apprenticeship standards shall not be required to sign an apprenticeship contract or to be governed by these standards, but they may take advantage of the courses offered.

TERM OF APPRENTICESHIP

The long term of apprenticeship shall conform to the Commission-Union Agreement.

TECHNICAL OR RELATED INSTRUCTION

- 1) Apprentices shall be required to take technical instruction in subjects related to the course for a minimum of 144 hours per year during the term of apprenticeship. This work may be given by correspondence or informal classes.

- 2) Time spent in classes during regular working hours will be considered as hours worked; if conducted in schools outside of regular working hours or by correspondence, the time spent will not be considered as hours worked.
- 3) Failure on the part of an apprentice to attend classes without just cause or failure to complete correspondence lessons will be investigated by the Functional Joint Apprenticeship Committee and the action deemed necessary shall be taken.

PRACTICAL INSTRUCTION AND WORK EXPERIENCE

During his/her apprenticeship the apprentice shall receive such instruction and experience in all branches of the craft as are necessary to develop a practical and skilled craftsman versed in the theory and practice of the occupation. An apprentice shall be required to learn the name and use of tools and materials and become familiar with and observe safety rules and regulations, and shall also perform such duties on the job and in the shop as are commonly related to an apprenticeship. The apprentice shall be under the direction of and receive his/her practical training and instruction primarily from Supervisors and Journeymen.

APPRENTICEABLE JOBS AND PAY SCHEDULE

The lists for Apprenticeable jobs, related entry jobs, and pay schedules for the life of this Agreement are attached as Appendix "C".

EXAMINATIONS AND RECORDS

Each apprentice, upon signing an apprenticeship agreement, shall be furnished records forms by the Commission. The apprentice must faithfully keep this record which shall be verified at the end of each month by the Crew Leader, and passed on to the Secretary of the appropriate Functional Joint Apprenticeship Committee.

Each apprentice shall pass a periodic examination in both practical and technical work before completion of any apprenticeship.

CERTIFICATE OF APPRENTICESHIP

Upon completion of the requirements of apprenticeship as established herein, and upon the recommendation of the Functional Joint Apprenticeship Committee, the Joint Supervisory Apprenticeship Committee shall award suitable Certificates of Apprenticeship.

ADJUSTMENT OF DIFFERENCES

Should any differences arise between the apprentice and his Supervisor or instructor, either has the privilege of appealing to the Functional Joint Apprenticeship Committee for adjustment. Should that Committee be unable to arrange a satisfactory adjustment, any affected party may proceed through the normal grievance procedure.

The local Union affected shall have the right to represent, before the appropriate committees, an apprentice employed within their jurisdiction who feels there has been adverse treatment with respect to the apprenticeship program.

MODIFICATION OF STANDARDS

Apprenticeship standards may be modified at any time by mutual agreement of the Utility and the Union. Such modifications shall not alter apprenticeship contracts in effect at the time of such changes without written consent of all parties to such contract.

APPENDIX C

**HPUC/AFSCME Local 94 Apprenticiable Jobs and Pay Schedule
2020-2022**

Years	Apprenticiable Job	Year	Step 1 Rate	Step 2 Rate	Step 3 Rate	Step 4 Rate	Step 5 Rate	Step 6 Rate	Step 7 Rate	Step 8 Rate	Journeyman Rate
			88%	89.5%	91.0%	92.5%	94.0%	95.5%	97.0%	98.5%	100%
4	Electrician	2020	25.87	26.31	26.75	27.20	27.64	28.08	28.52	28.96	29.40
		2021	26.52	26.98	27.43	27.88	28.33	28.78	29.24	29.69	30.14
		2022	27.18	27.65	28.11	28.57	29.04	29.50	29.96	30.43	30.89
4	Lineman	2020	27.46	27.92	28.39	28.86	29.33	29.80	30.26	30.73	31.20
		2021	28.14	28.62	29.10	29.58	30.06	30.54	31.02	31.50	31.98
		2022	28.85	29.34	29.83	30.32	30.81	31.30	31.80	32.29	32.78
4	Plant Mechanic	2020	24.13	24.54	24.95	25.36	25.77	26.19	26.60	27.01	27.42
		2021	24.74	25.16	25.58	26.00	26.42	26.85	27.27	27.69	28.11
		2022	25.35	25.78	26.22	26.65	27.08	27.51	27.95	28.38	28.81
4	Instrumentation Technician	2020	27.59	28.06	28.53	29.00	29.47	29.94	30.41	30.88	31.35
		2021	28.27	28.76	29.24	29.72	30.20	30.68	31.17	31.65	32.13
		2022	28.98	29.47	29.97	30.46	30.95	31.45	31.94	32.44	32.93
4	Water Mechanic	2020	24.13	24.54	24.95	25.36	25.77	26.19	26.60	27.01	27.42
		2021	24.74	25.16	25.58	26.00	26.42	26.85	27.27	27.69	28.11
		2022	25.35	25.78	26.22	26.65	27.08	27.51	27.95	28.38	28.81
4	Heating Mechanic	2020	24.13	24.54	24.95	25.36	25.77	26.19	26.60	27.01	27.42
		2021	24.74	25.16	25.58	26.00	26.42	26.85	27.27	27.69	28.11
		2022	25.35	25.78	26.22	26.65	27.08	27.51	27.95	28.38	28.81

NOTE: The date set forth above is based on 6 months between steps within each Apprenticeship Program. In the Entry-level position, an individual hired from the outside shall receive a one increment adjustment after one hundred and eighty (180) calendar days.



This Letter of Understanding is entered into between the Hibbing Public Utilities (hereafter "Employer") and AFSCME, AFL-CIO, Local 94 (hereafter "Union") representing the employees of Hibbing Public Utilities

WHEREAS: The Employer and the Union are parties to a Labor Agreement not set to expire until 12/31/2022;

WHEREAS: There have been grievances filed related to provisions of the contract addressed in this document; and

WHEREAS: The Union and the Employer wish to update and clarify the discipline process for Sick Leave Abuse; and

NOW THEREFORE: The Employer and the Union agree it is necessary to outline the terms and conditions of transitioning to a singular discipline process for all infractions while still identifying the serious nature of sick leave abuse.

BE IT RESOLVED: The following changes to Article VII, Sick Leave shall maintain the full force and effect of the contract and shall be incorporated into the CBA when it is re-opened for regular negotiations:

1. **ARTICLE VII SECTION H:**

(h) Any employee found guilty of abusing the sick leave provision of this Agreement shall (a) not accrue sick leave benefits for a period of six (6) months, (b) will receive written notice of missing documentation which includes a deadline of two weeks for providing the documentation. If the employee does not meet this deadline, they will be placed into the progressive discipline process beginning with a Written Reprimand, and any subsequent abuse of the sick leave policy will follow the progressive discipline outlined in Article XI Section 1(b). At each step of discipline progression, the employee shall not accrue sick leave benefits for six months. Any employee who is currently in the discipline progression as of the date of this Letter of Understanding will be considered to have completed Step 3 (TL3) of the discipline progression.

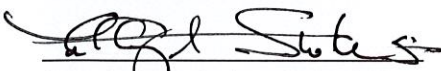
FINALLY, This Letter of Understanding represents the full and complete agreement between the parties regarding this matter. The provisions of this LOU modify only the portions of the parties Labor Agreement delineated above. All other provisions of the collective bargaining agreement continue to apply.

DATED THIS 9th of FEBRUARY, 2021

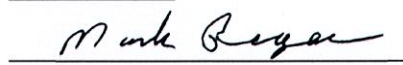
FOR THE EMPLOYER

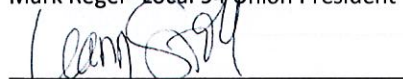

Commissioner Hart -Commission Chair


Commissioner Bayliss- Acting GM


Commissioner Stokes- Acting GM

FOR THE UNION


Mark Reger- Local 94 Union President


Leann Stoll-Labor Representative