

COLLECTIVE BARGAINING AGREEMENT

BY AND BETWEEN

**THE CITY OF MELROSE PUBLIC UTILITIES
COMMISSION**

AND

**AMERICAN FEDERATION OF STATE,
COUNTY AND MUNICIPAL EMPLOYEES,
LOCAL NO. 65**

January 1, 2022 – December 31, 2024

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LABOR AGREEMENT

CITY OF MELROSE PUBLIC UTILITIES COMMISSION
and
AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES,
COUNCIL NO. 65

PREAMBLE

This AGREEMENT is entered into by and between the City of Melrose Public Utilities Commission (hereinafter the "EMPLOYER"), and the American Federation of State, County and Municipal Employees, Council No. 65 (hereinafter the "UNION").

ARTICLE 1 - PURPOSE OF AGREEMENT

It is the intent and purpose of this AGREEMENT to place in written form the parties' full and complete agreement upon the terms and conditions of employment for the duration of the AGREEMENT; and to establish procedures for the resolution of disputes concerning the interpretation and/or application of the terms of this AGREEMENT.

The EMPLOYER and the UNION, through this AGREEMENT, continue their dedication to the highest quality of public service. Both parties recognize this AGREEMENT as a pledge of this dedication.

ARTICLE 2 - RECOGNITION

2.1 The EMPLOYER recognizes the UNION as the exclusive representative for all employees in a unit certified by the State of Minnesota Bureau of Mediation Services in Case No. 01-PCE-390 as:

All employees employed by the City of Melrose Public Utilities Commission, Melrose, Minnesota, who are public employees within the meaning of Minn. Stat. 179A.03, subd. 14, excluding supervisory, and confidential employees.

2.2 In the event the EMPLOYER and the UNION are unable to agree as to the inclusion or exclusion of a new or modified job class, the issue shall be submitted to the Bureau of Mediation Services for determination in accordance with Minnesota Statutes, Chapter 179A.

ARTICLE 3 - DEFINITIONS

3.1 UNION: The American Federation of State, County, and Municipal Employees, Council No. 65.

3.2 EMPLOYER: City of Melrose Public Utilities Commission.

- 3.3 UNION MEMBER: A member of the American Federation of State, County, and Municipal Employees, Council No. 65.
- 3.4 EMPLOYEE: An employee of the City of Melrose Public Utilities Commission and a member of the exclusively recognized bargaining unit.
- 3.5 REGULAR BASE PAY RATE: The employee's hourly, straight-time pay rate for all straight-time hours worked exclusive of longevity or any other special allowance.
- 3.6 EMPLOYER SENIORITY: Length of continuous service with the EMPLOYER.
- 3.7 JOB CLASSIFICATION SENIORITY: Length of continuous service within any job classification covered by this AGREEMENT.
- 3.8 OVERTIME: Work performed at the express authorization of the EMPLOYER in excess of forty (40) hours within a five (5) day period, Monday through Friday, and also any work performed between 4:00 p.m. Friday and 6:59 a.m. Monday.
- OVERTIME WHEN SCHEDULED ON-CALL: Work performed by the Water and Wastewater employee(s) scheduled on-call that exceeds forty (40) hours in the seven (7) day on-call period shall be paid at the overtime rate.
- 3.9 CALL BACK: Return of an employee to a specified work site to perform assigned duties at the express authorization of the EMPLOYER at a time other than an assigned shift. An extension of or early report to an assigned shift is not a call back.
- 3.10 HSA (HEALTH SAVINGS ACCOUNT): A medical savings plan available to employees that are enrolled in the high deductible health plan.
- 3.11 HCSP (Health Care Savings Plan): Administered by Minnesota Retirement System, is a mandatory employer sponsored, tax free account used to pay qualified medical expenses incurred after you leave employment.
- 3.12 PEIP – Public Employees Insurance program.

ARTICLE 4 - UNION SECURITY

In recognition of the UNION as the exclusive representative, the EMPLOYER shall:

- 4.1 Deduct from each payroll period an amount sufficient to provide the payment of dues established by the UNION, and employee designated PEOPLE contributions, from the wages of all employees authorizing in writing such deduction; and
- 4.2 The EMPLOYER agrees to cooperate with the UNION in facilitating the deduction of Fair Share Fees as provided in Minnesota Statutes 179A.06, Subd. 3.

- 4.3 Remit such deduction to the appropriate designated officer of the UNION with a list of names from whose wages deductions were made.
- 4.4 The UNION may designate two employees from the bargaining unit to act as stewards and shall inform the EMPLOYER in writing of such choice.
- 4.5 The UNION agrees to indemnify and hold the EMPLOYER harmless against any and all claims, suits, orders, or judgments brought or issued against the City as a result of any action taken or not taken by the City under the provisions of this Article.
- 4.6 The EMPLOYER agrees to make space available on the EMPLOYER bulletin board for the posting of official UNION notice(s) and announcements.

ARTICLE 5 - EMPLOYER AUTHORITY

- 5.1 The EMPLOYER retains the full and unrestricted right to plan, direct, determine, operate and manage all new or existing personnel, facilities, and equipment; to establish functions and programs; to set and amend budgets; to determine the utilization of technology; to establish and modify the organizational structure; to plan, direct, and control all the operations and services of the EMPLOYER; to determine the methods, means, and organization of personnel by which such operations and services are to be conducted; to assign duties, tasks, jobs, and overtime to personnel; to select, direct and determine the number of personnel; to establish work schedules; to hire, promote, assign, and transfer employees; to demote, suspend, discipline and discharge employees; to lay off employees because of lack of work or funds or other good and sufficient reasons; to contract for goods or services; to make and enforce reasonable rules and regulations; and to perform any inherent managerial function not specifically limited by this AGREEMENT.
- 5.2 The foregoing enumeration of the EMPLOYER's authority shall not be deemed to exclude other inherent management rights and management functions not expressly delegated in this AGREEMENT and not in violation of the laws of the State of Minnesota. Any term and condition of employment not specifically established or modified by this AGREEMENT shall remain solely within the discretion of the EMPLOYER to modify, establish, or eliminate.

ARTICLE 6 - GRIEVANCE PROCEDURE

6.1 DEFINITION OF A GRIEVANCE

A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this AGREEMENT.

6.2 UNION REPRESENTATIVES

The EMPLOYER will recognize representatives designated by the UNION as the grievance representatives of the bargaining unit having the duties and responsibilities established by this Article. The UNION shall notify the EMPLOYER in writing of the names of such UNION representatives and of their successors when so designated.

6.3 PROCESSING OF A GRIEVANCE

It is recognized and accepted by the UNION and the EMPLOYER that the processing of grievances as hereinafter provided is limited by the job duties and responsibilities of the EMPLOYEES and shall therefore be accomplished during normal working hours only when consistent with such EMPLOYEE duties and responsibilities. The aggrieved EMPLOYEE and the UNION REPRESENTATIVE shall be allowed a reasonable amount of time without loss in pay when a grievance is investigated and presented to the EMPLOYER during normal working hours provided the EMPLOYEE and the UNION REPRESENTATIVE have notified and received the approval of the designated supervisor who has determined that such absence is reasonable and would not be detrimental to the work programs of the EMPLOYER.

6.4 GRIEVANCE PROCEDURE

Grievances, as defined by Section 6.1, shall be resolved in conformance with the following procedure:

Step 1. An EMPLOYEE claiming a violation concerning the interpretation or application of this AGREEMENT shall, within twenty-one (21) calendar days after the EMPLOYEE is or should have been aware such alleged violation has occurred, present such grievance to the EMPLOYEE's supervisor as designated by the EMPLOYER. The EMPLOYEE's supervisor will discuss and give an answer to such Step 1 grievance within ten (10) calendar days after the Step 1 grievance meeting.

A grievance not resolved in Step 1 may be appealed to Step 2 by placing the grievance in writing and submitting it to the department head as designated by the EMPLOYER setting forth the nature of the grievance, the facts on which it is based, the provision or provisions of the AGREEMENT allegedly violated, and the remedy requested. A grievance not resolved in Step 1 must be appealed to Step 2 within ten (10) calendar days after the date of the EMPLOYER's Step 1 answer or such grievance shall be considered waived.

Step 2. If appealed, the written grievance shall be presented by the UNION and discussed with the department head. The EMPLOYER shall give the UNION the EMPLOYER's Step 2 answer in writing within ten (10) calendar days after the Step 2 grievance meeting. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) calendar days following the date of the EMPLOYER's Step 2 answer. Any grievance not appealed in writing to Step 3 by the UNION within ten (10) calendar days after the date of the EMPLOYER's Step 2 answer shall be considered waived.

Step 3. If appealed, the written grievance shall be presented by the UNION and discussed with the city administrator. The EMPLOYER shall give the UNION the EMPLOYER's Step 3 answer in writing within ten (10) calendar days after the Step 3 grievance meeting. A grievance not resolved in Step 3 may be appealed to Step 4 within ten (10) calendar days following the date of the EMPLOYER's final Step 3 answer. Any grievance not appealed in writing to Step 4 by the UNION within ten (10) calendar days after the date of the EMPLOYER's final Step 3 answer, and not otherwise submitted to mediation as provided in Step 3A below, shall be considered waived.

Step 3A. A grievance unresolved in Step 3 may by mutual agreement of the parties, be submitted to mediation through the Minnesota Bureau of Mediation Services. A submission to mediation preserves the time lines for filing Step 4.

Step 4. A grievance unresolved in Step 3 or Step 3A and appealed to Step 4 shall be submitted to arbitration in accordance with the Minnesota Public Employment Labor Relations Act, Minnesota Statutes, Chapter 179A, and the rules and regulations of the Bureau of Mediation Services.

6.5 ARBITRATOR'S AUTHORITY

A. The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the terms and conditions of this AGREEMENT. The arbitrator shall consider and decide only the specific issue(s) submitted in writing by the EMPLOYER and the UNION, and shall have no authority to make a decision on any other issue not so submitted.

B. The arbitrator shall be without power to make decisions contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules, or regulations having the force and effect of law. The arbitrator's decision shall be submitted in writing within thirty (30) days following the close of the hearing or the submission of briefs by the parties, whichever be later, unless the parties agree to an extension. The decision shall be binding

on both the EMPLOYER and the UNION and shall be based solely on the arbitrator's interpretation or application of the express terms of this AGREEMENT and to the facts of the grievance presented.

- C. The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the EMPLOYER and the UNION provided that each party shall be responsible for compensating its own representatives and witnesses. If either party desires a verbatim record of the proceedings, it may cause such a record to be made, providing it pays for the record. If both parties desire a verbatim record of the proceedings the cost shall be shared equally.

6.6 WAIVER

If a grievance is not presented within the time limits set forth above, it shall be considered "waived". If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the EMPLOYER's last answer. If the EMPLOYER does not answer a grievance or an appeal thereof within the specified time limits, the UNION may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual agreement of the EMPLOYER and the UNION.

6.7 CHOICE OF REMEDY

If, as a result of the written EMPLOYER response in Step 3 or mediation of Step 3A, the grievance remains unresolved, and if the grievance involves the suspension, demotion or discharge of an employee who has completed the required probationary period, the grievance may be appealed either to Step 4 of this Article or another procedure such as, Civil Service, Veteran's Preference, or Human Rights, or by the grievant instituting any action, proceeding or complaint in a federal or state court, state agency, or seeking relief through any statutory process for which relief may be granted. If appealed to any procedure other than Step 3 of this Article, the grievance is not subject to the arbitration procedure as provided in Step 4 of this Article. The aggrieved grievant/employee shall indicate in writing which procedure is to be utilized—Step 4 of this Article or another appeal procedure—and shall sign a statement to the effect that the choice of any other procedure precludes the aggrieved employee from making an additional appeal through Step 4 of this Article. A grievant instituting any action or proceeding, the subject matter of which may constitute a grievance under this AGREEMENT, shall immediately thereupon waive any and all rights to pursue a grievance under this Article. Upon instituting a proceeding in another forum, as described herein, the employee shall waive his or her right to initiate a grievance pursuant to this Article, or if the grievance is pending in the grievance procedure, the right to pursue it further shall immediately be waived.

ARTICLE 7 - SAVINGS CLAUSE

This AGREEMENT is subject to law. In the event any provision of this AGREEMENT shall be held to be contrary to law by a court of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided, such provision shall be voided. All other provisions of the AGREEMENT shall continue in full force and effect. The voided provision may be renegotiated at the request of either party.

ARTICLE 8 - WORK SCHEDULES

- 8.1 The sole authority in work schedules is the EMPLOYER. The normal work week for employees shall be consecutive days Monday through Friday, forty (40) hours per week, except for the week for an employee who is scheduled for on-call duty. The EMPLOYER shall determine the on-call schedule.
- 8.2 The EMPLOYER will give as much advance notice as is practicable to the employees affected by the establishment of scheduled shifts different from the employees' normal scheduled shift.
- 8.3 In the event that work is required because of unusual circumstances such as (but not limited to) fire, flood, snow, sleet, or breakdown of municipal equipment or facilities, no advance notice need be given.
- 8.4 The Friday night and Sunday night wastewater treatment facility check, when scheduled and not cancelled by the EMPLOYER, will be paid for one hour of pay at a rate of one and one half (1 ½) times the employee's base pay rate. This facility check(s) when scheduled and not otherwise cancelled by the EMPLOYER, shall not be considered a call back as defined in this labor agreement.
- 8.5 Employees are entitled to a lunch break up to one (1) hour in length (unpaid), and one (1) fifteen (15) minute break (paid) for each four (4) hours worked.

ARTICLE 9 - OVERTIME PAY/ COMPENSATORY TIME

- 9.1 Overtime will be compensated for at one and one-half (1 ½) times the employee's regular base pay rate. Time taken for vacation and other paid leave, but not sick leave and Holiday hours, will be counted as time worked for purposes of calculating overtime under this section, which will be effective on the execution date of this agreement.

If a Holiday falls on an employees' regularly scheduled day off the employee shall receive, at the employees' choice, eight (8) hours of Holiday pay at the straight time hourly rate or eight (8) hours straight time credited to their compensatory time bank. If the employee decides to receive the straight time pay this will not count toward

time worked for overtime calculation purposes. This shall be reviewed annually to determine if it has created scheduling problems.

- 9.2 For the purpose of computing overtime compensation, overtime hours worked shall not be pyramided, compounded, or paid twice for the same hours worked.
- 9.3 An employee who performs work during a work week that may result in overtime, if the employee were to work their normal schedule, may request an adjustment to their normal schedule for the week to avoid overtime payment, or maintain their regular schedule.
- 9.4 For overtime, an employee may choose to be paid the compensation provided in 9.1 of this agreement or earn compensatory time off at the rate of one and one-half hours for each overtime hour worked.
- 9.5 Employees may accrue compensatory time up to twenty-four (24) hours, or three shifts of regular work shifts whichever is greater per calendar year. Any compensatory time off accumulated but unused shall be paid out on the payroll covering the last pay period of the calendar year.

ARTICLE 10 - CALL BACK/ON CALL

- 10.1 An employee called in for work at a time other than the employee's normal scheduled shift will be compensated for a minimum of two (2) hours' pay at one and one-half (1 1/2) times the employees regular base pay rate. An extension of or early report to an assigned shift is not a call back.
- 10.2 Employees required to be on call by the EMPLOYER shall be compensated for one (1) hour pay at one and one-half (1 1/2) times the employees regular base pay rate for each day on call. Employees required to be on call by the EMPLOYER on a designated holiday shall be compensated for an additional three (3) hours pay at one and one-half (1 1/2) the employees regular base pay rate.
- 10.3 Employees on call will have fifteen (15) minutes from the duty station to the scene, not to exceed a total of thirty (30) minutes including the commute time.

ARTICLE 11 – LONGEVITY PAY

Longevity pay shall be provided as per City policy, as said policy exists on January 1, 2022.

ARTICLE 12 - RIGHT OF SUBCONTRACT

Nothing in this AGREEMENT shall prohibit or restrict the right of the EMPLOYER from subcontracting work performed by employees covered by this AGREEMENT. The EMPLOYER will provide the UNION with an opportunity to meet and confer as defined by Minn.Stat. § 179A.03, subd. 10 prior to subcontracting.

ARTICLE 13 - DISCIPLINE

- 13.1 The EMPLOYER will discipline employees only for just cause. The parties recognize the principles of progressive discipline, including the fact that the appropriate level of discipline is dependent on the facts of the particular disciplinary incident. Discipline will be in one of the following forms:
- a. oral reprimand;
 - b. written reprimand;
 - c. suspension;
 - d. demotion; or
 - e. discharge.
- 13.2 Notices of suspension, demotion, and discharge will be in written form and will state the reason(s) for the action taken.
- 13.3 Written reprimands, notices of suspension, notices of demotion, and notices of discharge which are to become part of an Employee's personnel file shall be read and acknowledged by signature of the Employee unless the employee otherwise refuses or fails to acknowledge by signature. Employees and the UNION will receive a copy of such reprimands and/or notices.
- 13.4 Discharges shall be preceded by a five (5) day suspension without pay.
- 13.5 Employees may examine their own individual personnel files at reasonable times under the direct supervision of the EMPLOYER.
- 13.6 Employees will not be questioned concerning an investigation of disciplinary action unless the employee has been given an opportunity to have a UNION representative present at such questioning.
- 13.7 Grievances relating to this Article shall be initiated by the UNION at Step 2 of the Grievance Procedure under Article 6 of this AGREEMENT. Oral reprimands are not subject to arbitration.

ARTICLE 14 - LEARNING PERIODS

- 14.1 All newly hired or rehired employees will serve a six (6) month learning period.
- 14.2 All employees will serve a six (6) month learning period in any job classification in which the employee has not served a learning period. This period may be extended by mutual agreement between the EMPLOYER and the UNION for a set period of time.
- 14.3 At any time during the learning period a newly hired or rehired employee may be terminated at the sole discretion of the EMPLOYER.
- 14.4 At any time during the learning period a promoted or reassigned employee may be demoted or reassigned to the employee's previous position at the sole discretion of the EMPLOYER.

ARTICLE 15 - SAFETY

The EMPLOYER and the UNION agree to jointly promote safe and healthful working conditions, to cooperate in safety matters and to encourage employees to work in a safe manner.

ARTICLE 16 - JOB POSTING

- 16.1 The EMPLOYER may fill permanent job vacancies by posting internally and externally for applicants. Preference shall be given to internal applicants over external applicants provided that the following qualifications are equal in the EMPLOYER's judgment. In judging qualifications, the following factors will be considered:
 - (1) demonstrated work behavior
 - (2) qualifications, knowledge, skills and ability to meet the standards, duties and responsibilities of the job vacancy
 - (3) ability to get along with co-workers
 - (4) past and present job experience
 - (5) past and present education and training
 - (6) past and present work record.
 - (7) responses to interview questions.
- 16.2 Employees filling a higher job class based on the provisions of this ARTICLE shall be subject to the conditions of ARTICLE 13 (LEARNING PERIOD), except Section 13.3. If, while the applicant/employee is in a learning period, the EMPLOYER determines that the employee is unqualified for that position, the EMPLOYER will have the right to return the employee to his or her prior position without posting.

The applicant/employee, while in a learning period, shall accrue all benefits entitled to the employee. The EMPLOYER's decision to return the employee to his or her former position during the learning period shall not be subject to the grievance procedures of this AGREEMENT. The employee shall have the right to return to his or her prior position without posting within fourteen (14) days from the date of appointment. An employee filling a permanent job vacancy in a recognized position covered by this AGREEMENT shall remain a member of the union while in the learning period.

16.3 The EMPLOYER has the right of final decision in the selection from all applicants (internal and external) to fill jobs based on qualifications, abilities, and experience.

16.4 Job vacancies within the designated bargaining unit will be posted for five (5) work days so that members of the bargaining unit can apply and be considered for such vacancies.

16.5 Beginning January 1st, 2015 newly hired line workers will be required, per EMPLOYER expectations, to possess the MN Journeyman's license or hold a Minnesota Department of Labor Journeyman's card, or be hired as an Apprentice Lineworker under the Minnesota Department of Labor and Industry Apprentice program. Current employees will not be required to test and receive this license this shall only apply to new applicants.

ARTICLE 17 - SENIORITY

17.1 Job Classification seniority will be the determining criterion for lay offs only when all job-relevant qualification factors are equal.

17.2 Job Classification seniority will be the determining criterion for recall when the job-relevant qualification factors are equal. Recall rights under this provision will continue for twelve (12) months after lay off. Recalled employees shall have ten (10) working days after notification of recall by registered mail at the employee's last known address to report to work or forfeit all recall rights.

ARTICLE 18 - HEALTH INSURANCE

18.1 Starting on January 1, 2022, the EMPLOYER will cover 100% of the insurance premiums for each full-time employee participating in the Employer-designated health insurance plan under the Public Employees Insurance Plan (PEIP) for 2022. If insurance premiums increase by 8% or more in 2023 or 2024, the EMPLOYER reserves the rights to enter into a discussion with AFSCME regarding employee cost sharing of premiums.

18.2 Starting January 1, 2022, the EMPLOYER will match up to \$200 per month into employees that opt to participate in the Health Savings Plan (HSA).

18.3 Employees not choosing dependent coverage cannot be covered at EMPLOYER expense for any additional insurance other than individual group health insurance as designated by the EMPLOYER.

18.4 Health insurance coverage shall be provided through an Employer-designated health insurance plan, PEIP and shall be provided to all benefit eligible Employees upon the effective date of said coverage.

ARTICLE 19 – DISABILITY INSURANCE

Starting January 1, 2012 the EMPLOYER shall contribute for each full-time employee the disability insurance monthly premium benefit afforded other City of Melrose employees with a minimum monthly contribution value that meets or exceeds the 2011 EAP monthly benefit.

ARTICLE 20 – LIFE INSURANCE

The Employer shall provide a Life Insurance Policy for all employees. This shall be a \$15,000 AD&D policy for the Employee, \$2,000 for spouse and \$1,000 for each dependent.

ARTICLE 21 - HOLIDAYS

21.1 Employees shall receive the following holidays:

New Year's Day	Veteran's Day
Martin Luther King Day	Thanksgiving Day
President's Day	Day after Thanksgiving
Memorial Day	Christmas Eve Day
Independence Day	Christmas Day
Labor Day	

21.2 Employee's required to work on any of the above holidays shall be paid one and one-half (1 1/2) times the employee's regular base pay rate for hours worked.

21.3 In the event that a holiday falls on a Sunday, the following Monday shall be a paid holiday, and if any of these fall on a Saturday, the preceding Friday shall be a paid holiday.

21.4 Employees shall be required to work their last regularly scheduled work day prior to the holiday and their next regularly scheduled work day after the holiday to qualify for holiday pay, unless the employee is absent due to illness, accident or is on vacation.

ARTICLE 22 - PART-TIME EMPLOYEES

Part-time employees shall receive benefits as per City Policy, as said policy exists on January 1, 2014.

ARTICLE 23 - VACATION

Effective January 1, 2015, all full-time employees shall be eligible for and accrue an annual paid vacation pursuant to the following schedule:

<u>Period of Employment</u>	<u>Vacation Leave Rate</u>
Start of employment through 5 years	80 hours per year
Start of Year 6 through 10 years	120 hours per year
Start of Year 11 through 16 years	160 hours per year
Start of Year 17 through 20 years	180 hours per year
Start of Year 21 and thereafter	200 hours per year

An employee with more than one year of service who leaves the employment of the City by resignation in good standing after proper notice or retirement, shall be paid for 100% the employee's unused vacation time which has accrued. Leave accrued and unused to the date of termination will be compensated with 100% of the payment made to the employees' account in the HCSP.

ARTICLE 24 - SICK LEAVE

All full-time employees shall earn 8 hours of sick leave per month up to a maximum of 800 hours.

In the event an employee does not use any sick leave during a full calendar year of employment and provided the employee has a minimum of 480 hours of accrued sick leave, the employee may elect to trade the 96 hours of accumulated sick leave for compensation equal to 24 hours of pay at employee's rate of pay in effect during the 12-month period provided this trade-in does not reduce the beginning balance to less than 480 hours. This will be paid as a cash payment to the employee.

In the event a full-time employee, leaving municipal service in good standing, terminates from employment with the City, the Employer agrees to pay to said employee severance pay as follows:

- a. In the event said employee terminates from employment in good standing, has completed 10 years of full-time and continuous employment with the City, and has unused accumulated sick leave at the time of separation from employment, the Employer shall pay to the employee's Health Care Savings Plan (HCSP) account sick leave severance pay for such unused accumulated sick leave, at a rate of 20% of the unused accumulated sick leave up to a maximum amount

payable of 160 hours at the employee's regular base rate of pay; or

- b. In the event said employee terminates from employment in good standing, has completed 15 years of full-time and continuous employment with the City, and has unused accumulated sick leave at the time of separation from employment, the Employer shall pay to the employee's HCSP account sick leave severance pay for such unused accumulated sick leave, at a rate of 30% of the unused accumulated sick leave up to a maximum amount payable of 240 hours at the employee's regular base rate of pay.
- c. In the event said employee terminates from employment in good standing, has completed 20 years of full-time and continuous employment with the City, and has unused accumulated sick leave at the time of separation from employment, the Employer shall pay to the employee's HCSP account sick leave severance pay for such unused accumulated sick leave, at a rate of 50% of accumulated sick leave up to a maximum amount payable of 400 hours.

Sick leave payout shall be credited to the employee's account in the HCSP 75% of the sick leave severance pay for such accumulated sick leave and 25% will be paid to the employee in cash compensation, but subject to the maximum amount payable calculated in paragraphs a and b.

In the event said terminating employee has completed 20 years of full time and continuous employment with the Employer and has accumulated sick leave, the Employer shall credit to the employees' account in the HCSP 100% of sick leave severance pay for such accumulated sick leave but subject to a maximum amount payable of 400 hours.

ARTICLE 25 – HEALTH CARE SAVINGS PLAN

The City participates in the Post Employment Health Care Savings Plan (HCSP) offered by the Minnesota State Retirement System (MSRS) as authorized by Minnesota Statutes Chapter 352.98. The HCSP allows employees to save money on a pre-tax basis to pay medical expenses and/or health insurance premiums after termination of public service. Employees will be able to choose among several different investment options provided by the State Board of Investment. Assets in the program will accumulate tax-free. All provisions of this plan will be determined by the MSRS on all account matters. The City's responsibility will be to process the initial employee enrollment in the plan and to forward the appropriate employee contributions.

Participation by all full time employees is mandatory. Employee contributions are according to the following schedule. Upon start of employment, each employee is responsible to notifying Human Resources of total years and months of Minnesota government employment that qualify for MSRS. Human Resources will coordinate tracking of years of service and adjust contributions based on information given. If an error occurs, the employee may retroactively make contributions not to exceed 24 months from date of error.

The Employee shall contribute a percentage of pay based on years of service as follows:

0 to 5 years of continuous employment	5%
5 to 15 years of continuous employment	6%
15 to 25 years of continuous employment	8%
25+ years of continuous employment	10%

Changes will be made on the anniversary date.

If an employee uses 16 hours or less of sick leave accumulated for that year and provided the employee has a minimum of 800 hours of accrued sick leave, the employee shall trade in the remaining accrued balance for the year (must be at least 80 hours available) of that year's accumulated sick leave for compensation equal to twenty-four (24) hours of pay at employee's rate of pay in effect during the 12 month accrual period. Compensation will be credited to the employee's account in the Health Care Savings Plan provided this trade-in does not reduce the beginning balance to less than 800 hours.

In the event of an employee's death, any payments due but not yet paid will be made to the employee's beneficiary or estate.

ARTICLE 26 – LEAVES OF ABSENCE

Leaves of absence shall be provided per law or City policy, as said policy exists on January 1, 2014.

ARTICLE 27 – PERSONAL LEAVE

Full-time employees shall receive personal leave as per City policy, as said policy exists on January 1, 2014.

ARTICLE 28 - UNIFORMS

Employees shall be allocated the following dollar amounts each year for the purchase of uniforms and safety shoes. Employees will be reimbursed upon submission of receipts. All clothing purchases shall require prior approval from the employee's immediate supervisor and the City Administrator.

Water/Wastewater Operator:

\$375.00 per year plus \$250.00 per year for safety shoes for a total of \$625.00. Maximum accrual is \$1,250.00. Safety clothing does not have a limit, provided it is ordered through employer specified vendors.

Line Worker

All safety clothing and boots are required to be purchased by the Employer due to OSHA requirements. Therefore, we are deleting a dollar amount for these employees for safety clothing and boots.

ARTICLE 29 - WAIVER

- 29.1 Any and all prior agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment, to the extent inconsistent with the provisions of this AGREEMENT, are hereby superseded.
- 29.2 The parties mutually acknowledge that during the negotiations which resulted in this AGREEMENT, each had the unlimited right and opportunity to make demands and proposals with respect to any terms or condition of employment not removed by law from bargaining. All agreements and understandings arrived at by the parties are set forth in writing in this AGREEMENT for the stipulated duration of this AGREEMENT. The EMPLOYER and the UNION each voluntarily and unqualifiedly waives the right to meet and negotiate regarding any and all terms and conditions of employment referred to or covered in this AGREEMENT or with respect to any term or condition of employment not specifically referred to or covered by this AGREEMENT, even though such terms or conditions may not have been within the knowledge or contemplation of either or both parties at the time this contract was negotiated or executed.

ARTICLE 30 - DURATION

This AGREEMENT shall be effective as of January 1, 2022, and shall remain in full force and effect until the 31st day of December, 2024.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT the latest date affixed to the signatures hereto.

FOR THE CITY OF MELROSE



Mayor Acting Mayor



Utilities Commission Chair



Utilities Commission Secretary




City Administrator

DATE: 12/16/2021

FOR AFSCME, COUNCIL NO. 65



Business Agent



Union President



Negotiating Committee Member

DATE: _____

**AFSCME WAGE SCHEDULE
APPENDIX A
WAGE SCHEDULE - 2022-2024**

JOB CLASSIFICATION

	%			%	2022 COLA	2023 COLA	2024 COLA
STEP	OF BASE	2021	STEP	OF BASE	5%	4%	3%
Apprentice LINE WORKER							
Start /0	62%	\$22.56	1	74%	\$28.50	\$29.64	\$30.53
1	68%	\$24.94	2	76%	\$29.27	\$30.44	\$31.35
2	75%	\$27.51	3	80%	\$30.81	\$32.04	\$33.00
3	84%	\$30.81	4	84%	\$32.35	\$33.64	\$34.65

	%						
STEP	OF BASE	2021					
JOURNEY LINE WORKER							
Start / 0	88%	\$32.28	1	88%	\$33.89	\$35.24	\$36.30
1	92%	\$33.75	2	92%	\$35.43	\$36.85	\$37.95
2	96%	\$35.22	3	96%	\$36.97	\$38.45	\$39.60
3	100%	\$36.68	4	100%	\$38.51	\$40.05	\$41.25

		2021	STEP	% OF BASE	2022 COLA 5%	2023 COLA 4%	2024 COLA 3%
WATER/WASTEWATER OPERATOR							
Start	74%	\$22.90					
1	76%	\$23.51					
2	80%	\$24.75					
3	84%	\$25.99					
4	88%	\$27.23	1	84%	\$27.29	\$28.38	\$29.23
5	92%	\$28.46	2	92%	\$29.89	\$31.09	\$32.02
6	96%	\$29.70	3	96%	\$31.19	\$32.44	\$33.41
7	100%	\$30.94	4	100%	\$32.49	\$33.79	\$34.80

WATER/WASTEWATER MAINTENANCE WORKER

		2021	STEP	% OF BASE	2022 COLA 5%	2023 COLA 4%	2024 COLA 3%
Start	74%	\$17.45					
1	76%	\$17.92					
2	80%	\$18.87					
3	84%	\$19.81					
4	88%	\$20.75	1	84%	\$20.80	\$21.63	\$22.28
5	92%	\$21.70	2	92%	\$22.78	\$23.69	\$24.40
6	96%	\$22.64	3	96%	\$23.77	\$24.72	\$25.46
7	100%	\$23.58	4	100%	\$24.76	\$25.75	\$26.52

PUC Approved 12.31.21
Council Approved 12.16.21