

AGREEMENT
BETWEEN
CITY OF BAXTER
AND
AMERICAN FEDERATION OF STATE, COUNTY
AND MUNICIPAL EMPLOYEES, AFL-CIO
LOCAL UNION# 689B

JANUARY 1, 2017-
DECEMBER 31, 2018

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AGREEMENT

This Agreement is entered into on January 1, 2017, by and between the City of Baxter, hereinafter the Employer, and Local #689B, Minnesota Council 65, of the American Federation of State, County and Municipal Employees, AFL-CIO, hereinafter the Union, pursuant to the Public Employment Labor Relations Act of 197, as amended.

ARTICLE I PURPOSE

It is the intent and purpose of this Agreement to:

The Union and the Employer agree that the purpose for entering into the Agreement is to:

- A. Establish the foundation for a harmonious and effective labor-management relationship;
- B. Provide for a means to peacefully resolve disputes concerning the application or interpretation of this agreement;
- C. Place in written form the parties agreement upon the terms and conditions of employment for the duration of this Agreement.

ARTICLE II RECOGNITION N

Section 1. Recognition. In accordance with the P.E.L.R.A., the Employer recognizes Local 689B, Minnesota Council #65, of the American Federation of State, County and Municipal Employees, AFL-CIO, as the exclusive representative for:

"All employees of the City of Baxter, Minnesota, who are public employees within the meaning of Minnesota Stat. 179A.03, Subd. 14, excluding supervisory, essential, and confidential employees."

Section 2. New Class. In the event the Employer and the Union are unable to agree as to the inclusion or exclusion of a new class, the issue shall be submitted to the Bureau of Mediation Services for determination.

Section 3. Non-Discrimination. No discrimination shall be exercised against any employee because of Union membership or because of race, creed, sex, color, religious belief or political belief.

ARTICLE
III DEFINITIO
NS

Section 1. Union. Local No. 689B, Minnesota Council 65, of the American Federation of State, County and Municipal Employees, AFL-CIO.

Section 2. Employer. The City of Baxter, or its designated representative.

Section 3. Regular Full-Time Employee. An employee who has successfully completed the six (6) months probationary period and who regularly works forty (40) hours per week.

Section 4. Regular Part-Time Employee. An employee who has successfully completed the six (6) months probationary period working less than full-time and who works more than the lesser of fourteen (14) hours per week or thirty-five percent (35%) of the normal work week, and more than sixty-seven (67) working days per year.

Section 5. Seasonal/Temporary Employee. An employee employed by the Employer on a seasonal or temporary basis for no more than 120 calendar days per year either in a full-time or part-time capacity who will be paid at a rate to be determined by the Employer for the term of his/her employment. Such employees will not be eligible for any benefits or other terms and conditions established by this agreement.

ARTICLE IV
UNION SECURITY

Section 1. Dues Check Off. The Employer shall deduct an amount each pay period sufficient to provide the payment of regular dues and/or other Union approved deductions, established by the Union from the wages of all employees authorizing, in writing, such deduction on a form mutually agreed upon by the Employer and Union; and the deduction of dues shall commence 30 working days after initial employment with the Employer, and

Section 1.2 The Employer shall remit such deductions AFSCME Council 65 Administrative Office (118 Central Avenue, Nashwauk, MN 55769) with a list of the names of the employees from whose wages deductions were made along with other pertinent employee information necessary for the collection and administration of union dues preferably in an Excel formatted report that may be electronically transmitted or by U.S. mail; and

Section 1.3 The Union shall provide the formula or schedule (if applicable) to calculate the actual dues deduction to the Employer and will provide a spreadsheet that can be used to calculate the actual dues along with any set amount for local assessments, in an electronic Excel format or via U.S. mail.

Section 2. Fair Share/Agency Fee. The Union may collect a Fair Share Fee, in an amount determined by the Union, from bargaining unit members who choose not to become members of the Union. However, any such fees so collected by the Union shall be accomplished in accordance with the applicable terms of Minn. Stat. Sect. 179A.06, Subd. 3.

Section 3. Hold Harmless. The Union agrees to indemnify and hold the Employer harmless against any and all claims, suits, orders or judgments brought or issued against the Employer as a result of any action taken or not taken by the Employer under the provisions of this Article.

Section 4. Bulletin Board Space. The Employer shall make space available on employee bulletin board for posting of Union notices with space made available at each location where employees work for the Union to post copies of such notices. It is specifically understood that no notices of an inflammatory nature shall be posted.

Section 5. Access to Premises. Representatives of the Union shall have access to the premises of the Employer at reasonable times and subject to reasonable rules established by the Employer to investigate grievances and other problems with which they are concerned. Such access shall not interfere with the work of employees, shall be subject to prior notice to the Employer, and shall not extend to private offices.

Section 6. Stewards. The Employer agrees to recognize Stewards certified by the Union as provided in this Section, subject to the following stipulations:

- A. There shall be no more than one (1) steward and one (1) alternate at any one time.
- B. The Union shall inform the Employer in writing of the name of the steward and alternate as well as any subsequent changes.
- C. The steward or alternate shall not leave the workstation without prior permission of the Employer and shall notify the Employer upon return to the workstation. Permission to leave a workstation for Union business will be limited to reasonable time to present grievances to the Employer.

ARTICLE V EMPLOYER RIGHTS

Section 1. Inherent Managerial Rights. The exclusive representative recognizes that the Employer is not required to meet and negotiate on matters of inherent managerial policy, which include but are not limited to, such areas of discretion or policy as the functions and programs of the Employer, its overall budget, utilization of technology, its organizational structure, and the selection and direction and number of personnel. The exclusive representative further recognizes the prerogatives of the Employer to operate and manage its affairs in all respects in accordance with existing and future laws and regulations of the appropriate authorities, including municipal personnel policies and work rules which do not conflict with the provisions contained in this Agreement. The prerogatives or authority which the Employer has not officially abridged, delegated, or modified by this Agreement are retained by the Employer.

Section 2. Utilization of Non-Bargaining Unit Employees. Nothing in this Agreement shall restrict the right of the Employer to contract out bargaining unit work or to utilize volunteers or supervisors to perform bargaining unit work. In the event, the Employer elects to permanently contract out bargaining unit work which will result in the layoff of bargaining unit employees, the Employer will provide 10 days written notice to the Union and provide the Union the opportunity to meet and confer regarding the impact on displaced employees.

ARTICLE
VI HOURS OF
WORK

Section I. Purpose. This Article is intended only to define the normal hours of work. Nothing herein shall be construed as a guarantee of hours of work per day or per week.

Section 2. Normal Work Hours. The normal workweek for full-time employees shall be forty (40) hours. The normal workweek shall consist of five (5) consecutive eight (8) hour days, Monday through Friday. The normal work week for employees hired after October 17, 2000 may be five (5) consecutive eight (8) hour days, other than Monday through Friday. The normal work periods are from 8:00 a.m. to 4:30p.m., with an unpaid one-half hour lunch period, except non-office personnel whose normal hours of work shall be 7:00a.m. to 3:30p.m., with a one-half hour unpaid lunch period.

Work shifts, work breaks, staffing schedules and the assignment of employees thereto shall be established and may be modified by the Employer. It is further understood by the parties that changes in the normal hours of work can be requested by the Union and may be approved by the City Council or its designee if they so desire. The Employer will give a two (2) week notice of shift changes, except in the case of emergency, which will be determined by the Employer.

Section 2.1. Normal Work Hours for Public Works Maintenance Workers. Employees in the Public Works Maintenance Department will work according to the schedule assigned by the Employer. Public Works Maintenance employees who are required to work non-weekend holidays shall be paid by the Employer at the hourly holiday rate. Employees required to work weekends will be compensated by the Employer's granting of a straight-time paid day off on the Friday following the weekend worked or the schedule in effect at the time of the holiday.

Section 3. Rest Period. Employees shall be granted one fifteen (15) minute rest period in each four (4) hours of work. Such rest periods shall normally be taken near the midpoint of each such four (4) hour work period as near to the worksite as practicable.

Section 4. Conferences and Meetings. For the purpose of this Article, travel time to and from and all working hours spent at conferences, seminars, meetings and the like for which attendance has been required by the Employer shall be considered as "time worked" for the purposes of this Article.

**ARTICLE
VII OVERTIME
ME**

Section 1. Overtime. All authorized overtime over forty (40) hours per week shall be compensated for at the rate of time and one-half (1/2) times the employee's regular rate of pay. Subject to the approval of the Employer, overtime earned may be credited as compensatory time, for each hour of work. Compensatory time shall be used during slack periods when it will not jeopardize the service and subject to the approval and direction of the Employer. Compensatory overtime may be banked up to a maximum of fifty (50) hours. Time paid for not working on a designated holiday shall be added in computing forty (40) hours for overtime purposes.

Section 1.1. Calculation of Overtime and After Hours Meetings. Use of other leave during the week, including vacation, sick, compensatory, and unpaid leave, shall not be used to calculate overtime, unless vacation is scheduled in advance of the affected work week. Hours worked beyond the normal day shall be used to reduce the amount of other leave until a regular 40 hour work week is achieved. The exception to this provision is when an employee regularly scheduled to attend official city meetings after the normal hours of work. For this occurrence, the employee shall be paid at the rate of time and one-half (1/2)times the employee's regular rate of pay for all such hours worked during the meeting or shall accrue compensatory time at the same rate.

Section 2. Call Backs. An employee called back to work after the completion of the employee's assigned shift shall be paid for a minimum of two (2) hours at the rate of time and one-half (1/2). Weekend checks shall not be considered as callbacks.

Section 3. On Call Pay. Maintenance Department employees assigned to be on call shall be compensated for each hour of call at \$1.95 per hour.

An acceptable on call rotation shall be established between the Employer or designee and the employees assigned to be on call.

On call employees shall be available by cell phone with a maximum response time of twenty (20) minutes under normal conditions. Reasonable deviations to the maximum response time may be mutually agreed to by the Employer or designee and the affected employee(s).

Section 4. Early Starts. If an employee is required to start a shift prior to 4:00 a.m., the employee shall be compensated at one and one-half (1 ½) times the employee's regular hourly rate of pay for all hours worked from the starting time to the normal start time.

Section 5. Scheduling of Overtime for Public Works Parks Maintenance Workers. Employees in the Parks Maintenance Division will qualify for rotational overtime scheduling after the employee has successfully completed his/her probationary period. All call-backs or overtime will be offered to the employees on this calendared rotational base, starting with the park employees with the longest service within the Park Maintenance Division. Employees that are currently working a scheduled shift will have priority to any overtime needed on that shift, according to the rotational calendar schedule.

ARTICLE
VIII HOLIDAY
S

Section 1. Benefits. The following days shall be paid holidays for all regular full-time employees:

Holiday	Date
New Year's Day	January 1
Martin Luther King Day	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veterans Day	November 11
Thanksgiving Day	Fourth Thursday in November
Post-Thanksgiving Day	Friday after Thanksgiving
Christmas Eve Day (1/2 Day)	December 24
Christmas Day	December 25

Section 2. Qualification. In order for an employee to qualify for the holiday pay provided in this Article, the employee must be on pay status on the last scheduled work day immediately preceding the holiday, and the first scheduled work day immediately following the holiday.

Section 3. Holidays and Weekends. When any of the above holidays falls on a Saturday, the preceding day shall be a holiday, and when any of the above holidays falls on a Sunday, the following day shall be a holiday. When Christmas Eve falls on a Saturday or Sunday, the one-half day will be taken on the preceding Friday afternoon. When Christmas Eve falls on a Friday, the one-half day will be taken on the preceding Thursday afternoon.

When a holiday falls on an unscheduled work day for those employees scheduled to work five (5) consecutive eight (8) hour days, other than Monday through Friday (as outlined in Article VI, Section 2), the preceding or following day shall be a holiday, as determined by the employee's supervisor.

Section 4. Work on a Holiday. An employee required to work on a designated holiday shall receive two times (2x) the employee's regular rate of pay for all hours worked (excluding scheduled duty), in addition to holiday pay.

Section 5. Holidays During Vacation. When a paid holiday falls during a vacation period, the employee shall receive pay for that holiday and be entitled to another day of vacation subject to the approval of the Employer.

ARTICLE
IX VACATIO
NS

Section 1. Eligibility. Upon completion of six (6) full months of satisfactory service with the

Employer, vacation leave shall accrue to the regular full-time employee for the time served. No

vacation leave shall be granted during the first twelve (12) months of employment.

Section 2. Benefits. Regular full-time employees shall earn vacation on the following basis:

	Annual
Upon completion of one (1) year	56 hours
Two (2) years through completion of five (5) years	96 hours
Six (6) years through completion of ten (10) years	144 hours
Eleven (11) years through completion of fifteen (15) years	168 hours
Sixteen (16) years and after	224 hours

Section 3. Accrual. Vacation shall accrue on a monthly (or bi-weekly) basis. An employee may accrue up to one hundred-fifty percent (150%) of their earned annual vacation at any one time. Each calendar year the vacation accrual balance shall be reduced to a maximum of one hundred-fifty percent (150%) during the second payroll period in December of that year.

Section 4. Non-Pay Status. Vacation leave shall not accumulate to an employee while on non-pay status.

Section 5. One-Hour Minimum. Vacation may be taken in one (1) hour minimum periods provided requests for any such partial vacation is made in advance and approved by the Employer.

Section 6. Notice. In determining vacation periods, the wishes of the employees will be respected as to the time of taking vacations, insofar as the needs of the service will permit. Employees shall notify their department head in writing of the time they would like to take vacation as far in advance as possible. Should a conflict in scheduling occur, it will be resolved on the basis of first request and then seniority at the time of the request. A vacation calendar shall be posted in each department.

ARTICLE
X SICK
LEAVE

Section 1. Benefit. Regular full-time employees shall earn sick leave at the rate of eight (8) hours per month of service. Sick leave shall accrue from date of hire, but may not be used until after the completion of the probationary period. Sick leave may accrue to a maximum of 960 hours.

Section 2. Utilization. An employee shall be granted sick leave with pay to the extent of the employee's accumulation for absences necessitated by illness, disability or by necessity for medical, chiropractic or dental care. An employee may use personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's child, adult child, spouse, sibling, parent, grandparent, or stepparent, for such reasonable periods of time as the employee's attendance may be necessary, on the same terms upon which the employee is able to use sick leave benefits for the employee's own illness or injury.

The use of personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's adult child, spouse, sibling, parent, mother-in-law, father-in-law, grandchild, grandparent, or stepparent shall be limited to 160 hours in any 12-month period.

For purposes of this section, "personal sick leave benefits" means time accrued and available to an employee to be used as a result of absence from work due to personal illness or injury, but does not include short-term or long-term disability or other salary continuation benefits. For the purposes of this section, "child" includes a stepchild and a biological, adopted, and foster child under 18 years of age or an individual under age 20 who is still attending secondary school. Up to ten (10) days (eighty (80) hours) of sick leave may be used for maternity or paternity leave.

Section 3. Safety Leave. Employees are authorized to use sick leave for reasonable absences for themselves or relatives (employee's adult child, minor child, spouse, sibling, parent, mother-in-law, father-in-law, grandchild, grandparent, or step-parent) who are providing or receiving assistance because they, or a relative, is a victim of sexual assault, domestic abuse, or stalking. Safety leave for those listed, other than the employee and the employee's child, is limited to 160 hours in any 12-month period.

Section 4. Medical Certificate. Nothing in this Article shall restrict the Employer or designee from requiring an employee to provide a doctor certification if there is reason to believe that there is possible sick leave abuse. Abuse of sick leave may be cause for disciplinary action including dismissal.

Section 5. Non-Pay Status. Sick leave shall not accumulate to an employee while in a non-pay status.

Section 6. Worker's Compensation. For employees receiving weekly benefits under the Worker's Compensation Act, sick leave may be used to make up the difference between such benefits and the employee's normal net earnings each period. The employee shall continue to have the option of buying back sick leave used.

Section 7. Severance. The Employer or designee shall pay 50% of an employee's unused sick leave for retiring employees who meet the eligibility requirements for receipt of a pension pursuant to the Public Employee Retirement Association statute and are in good standing with the City.

ARTICLE XI LEAVES OF ABSENCE

Section 1. Application for Leave. All requests for leave of absence shall be submitted in writing by the employee and subject to approval by the City Council. To the extent possible, requests for leave of absence shall be made at least thirty (30) calendar days in advance.

Section 2. Paid Leaves of Absence.

Subd. 1. Funeral Leave. With the prior approval of the employee's supervisor, employees shall be granted up to a maximum of three (3) days paid leave of absence (starting in 2006, three days paid sick leave) in the event of death of spouse, children, and ward, and the brothers, sisters, parents or grandparents of either the employee or the employee's spouse. One of the three (3) days shall be the day of the funeral.

Subd. 2. Jury Duty. Leave with pay shall be granted for jury duty. The employee shall

turn over to the Employer or designee any per diem payment received as a result of serving on a jury.

Subd. 3. Military Leave. Military leave shall be granted in accordance with Minnesota Statues, Sections 192.261 and 192.26.

Subd. 4. Educational Leave. Leave with pay shall be granted for educational purposes if such education is specifically required by the Employer and the employee has received approval from the Employer for such leave. The Employer or designee shall make every effort to allow employees to participate in necessary training available to upgrade their knowledge and skills relating to their employment.

Subd. 5. Personal Leave. Each regular full-time employee shall receive two (2) paid personal leave day each calendar year. The notice requirements of Article IX, Section 6 shall apply to this two (2) paid personal leave day each calendar year. Employees hired between January 1 – June 30 will receive two personal leave days at the time of hire. Employees hired between July 1 – December 31 will receive one personal leave day at time of hire. These days may be used during the employee's probation period.

Section 3. Unpaid Leaves of Absence

Subd. 1. Non-Accrual. Employees shall not accrue sick leave, vacation, seniority or paid holiday benefits while on unpaid leave of absence.

Subd. 2. Group Insurance. A regular full-time employee granted a leave of absence without pay shall be permitted to remain in the Employer's group insurance plans by making advance premium payments to the Finance department after providing written notification of intent to remain in the plan in accordance with Minnesota Statutes.

Subd. 3. Medical Leave. An employee who has completed the required probationary period, who is unable to perform the duties of the job because of illness or injury and who has exhausted all sick leave credit available, may, upon request, be granted a medical leave of absence, without pay, at the discretion of the Employer or designee up to a period of one year.

A request for leave of absence under this Section shall be accompanied by a written doctor's statement outlining the condition of health and estimated time at which the employee is expected to be able to assume normal work responsibilities.

The Employer may require that the employee be examined by a physician of the Employer's choosing prior to authorizing the employee to return to work at the cost of the Employer.

Any employee who is granted a leave of absence without pay who is certified by a physician chosen by the Employer as able to return to work must comply within ten (10) working days or face termination.

Subd. 4. Parental Leave. A parental leave of absence for a period of up to three (3) months may be granted to a biological or adoptive mother or father who requests such leave in conjunction with the birth or adoption of a child.

Subd. 5. Personal Leave. An unpaid leave of absence up to three (3) months for personal reasons may be granted to an employee at the Employer's discretion with prior written approval of the City Council. No such leave shall be granted or used for the purpose of securing other employment.

Subd. 6. Reinstatement after Leave. An employee returning from an approved unpaid leave of absence as covered by this Section shall be assigned to the employee's former position if available, or another position at the discretion of the Employer or designee, with comparable duties and pay, if available.

**ARTICLE
XII GRIEVANCE
PROCEDURE**

Section 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.

Section 2. Representative. The Employer or designee 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.

Section 3. Definitions.

Subd. 1. Extension. Time limits specified in this Agreement may be extended by mutual agreement.

Subd. 2. Days. References to days regarding time periods in this grievance shall refer to calendar days.

Subd. 3. Computation of Time. In computing any period of time prescribed or allowed by procedures herein, the date of the act, event or default for which the designated period of time begins to run shall not be included. The last day of the period so computed shall be counted, unless it is a Saturday, a Sunday or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, a Sunday, or a legal holiday.

Subd. 4. Filing and Postmark. The filing or service of any notice or document herein shall be timely if it is personally served or if it bears a postmark of the United States Postal Service.

Subd. 5. Reduced to Writing. "Reduced to writing" shall mean setting forth in writing the nature of the grievance, the facts upon which it is based, the provision or provisions of the Agreement allegedly violated, and the remedy requested.

Section 4. Time Limitation. Grievances shall not be valid for consideration unless the grievance is submitted in writing (exception is Step 1), setting forth the facts and the specific provision or provisions of the Agreement allegedly violated and the particular relief sought, within fifteen (15) days after the date of the first event giving rise to the grievance occurred. Failure to file any grievance within such period shall be deemed a waiver thereof. A grievance may, at the request of the grievant, be elevated to a higher step in the grievance process.

Section 5. Processing a Grievance. The aggrieved employee and the Union representative shall be allowed a reasonable amount of time without loss in pay if a grievance is presented to the Employer or designee during normal working hours.

Section 6. Procedure

Step 1: Informal discussion. The immediate supervisor/Director (when this person is the direct supervisor) shall meet and discuss the grievance with the grievant and the grievant's representative within ten (10) days after the receipt of the grievance. If no response is received within 10 days the grievance is considered denied.

Step 2: In the event the grievance is not resolved in Step 1, the decision rendered may be appealed to the Director (or Human Resources Director if a Director was involved in the Step 1 hearing). The Step 2 grievance must be reduced to writing, provided such appeal is made within ten (10) days after receipt of the decision in Step 1. If a grievance is properly appealed to the Director/H.R. Director a time frame shall be set to hear the grievance within twenty (20) days after the appeal is received. After the meeting a decision shall be issued in writing within ten (10) days. If no response is received within 10 days the grievance is considered denied.

Step 3: In the event the grievance is denied the grievant may appeal to the City Council within ten (10) days after the decision is rendered in Step 2. If a grievance is properly appealed to the City Council or its representative, and reduced in writing, a time to hear the grievance shall be set within twenty (20) days after the appeal is received. After the meeting, the City Council or its representative shall issue its decision in writing within ten (10) days to the parties involved.

Step 4: Upon completion of the previous procedure the Union or the Employer may request mediation of the grievance by the Bureau of Mediation Services. Such request must be made within ten (10) days following the decision in Step 3. If mediation does not resolve the grievance within thirty (30) days, arbitration may commence as hereafter provided in Step 4.

Step 5: If the grievance remains unresolved, the Union may, within ten (10) days after the response of the Mediator, by written notice to the Employer, request arbitration of the grievance. The arbitration proceedings shall be conducted by an arbitrator to be selected by mutual agreement of the Employer and the Union. If the parties fail to mutually agree upon an arbitrator within seven (7) days, either party may request the Bureau of Mediation Services to submit a panel of five arbitrators. Both the Employer and the Union shall have the right to strike two names from the panel. The party requesting arbitration shall strike the first name; and the other party shall then strike one name. The process will be repeated, and the remaining person shall be the arbitrator.

Section 7. Arbitrator's Authority. The arbitrator shall have jurisdiction over disputes or disagreements relating to grievances properly before the arbitrator pursuant to the terms of this procedure. The jurisdiction of the arbitrator shall not extend to proposed changes in terms and conditions of employment as defined herein and contained in this written agreement; nor shall an arbitrator have jurisdiction over any grievance which has not been submitted to arbitration in compliance with the terms of the grievance and arbitration procedure as outlined herein.

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 to him/her in writing by the employee and by the Employer at the arbitration hearing and shall have no authority to make a decision on any other issue not so submitted to him/her.

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 shall submit their decision in writing within thirty (30) days following the close of the hearing or the submission of briefs by the parties, whichever is later, unless the parties agree to an extension. Subject to the Uniform Arbitration Act, Minnesota Statutes 572.01 et seq., the decision shall be binding on both the Employer and the Union. It 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.

Section 8. Fees and Expenses. 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.

Section 9. 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 written agreement of the Employer and the Union.

Section 10. Choice of Remedy. If as a result of the written Employer response at Step 3, the grievance remains unresolved, and if the grievances 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 a procedure such as Veterans Preference or Fair Employment. If appealed to any procedure other than Step 4 of this Article, the grievance is not subject to the arbitration procedure set forth herein. The aggrieved 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 or any other procedure precludes the aggrieved employee from making an additional appeal through Step 4 of this grievance

procedure.

ARTICLE XIII DISCIPLINE AND DISCHARGE

Section 1. Just Cause. An employee who has completed the required probationary period may be disciplined only for just cause. Disciplinary action or measures may include any of the following: (1) oral reprimand; (2) written reprimand; (3) suspension; (4) demotion; (5) discharge, depending upon the reasons giving cause to discipline an employee. An employee suspended, demoted or discharged by the Employer may process an appeal of such action through the grievance procedure of this Agreement. In cases of oral or written reprimands, an employee may utilize the grievance procedure except for mediation and arbitration.

Section 2. Discipline Process. If the Employer has reason to reprimand an employee, the Employer shall attempt to do it in a manner that will not embarrass the employee before other employees or the public. Employees disciplined by written reprimand shall receive a copy of the reprimand.

ARTICLE XIV PROBATIONARY PERIOD

Section 1. Probationary Period. All newly hired or rehired employees shall serve a six (6) months probationary period.

Section 2. Dismissal. At any time during the probationary period, the Employer or designee shall have the unqualified right to suspend without pay, discharge, or otherwise discipline such employee; and during this probationary period, the employee shall have no recourse to the grievance procedure, insofar as suspension, discharge or other discipline is concerned, and a newly hired or rehired employee may be terminated at the sole discretion of the Employer or designee.

Section 3. Transferred Employee. For current bargaining unit employees accepting a “transfer” within the bargaining unit, these employees shall serve a three (3) month probation period and have a thirty (30) day trial period coinciding with the first 30 days of the probation period. During the thirty (30) day trial period the employee may elect to return to their original position or the employer or designee may elect to return the employee to their original positon. The probation for a transferred employee shall have recourse within the grievance procedure.

ARTICLE XV SENIORITY

Section 1. Definitions. Seniority shall be defined as an employee's length of continuous service with the Employer. Upon completion of the probationary period, the seniority date of the employee shall relate back to the employee's initial date of most recent employment in a bargaining unit position.

Section 2. Part-time Employees. Part-time employees will complete the probationary period after the completion of 1,040 hours of service. A part-time employee's seniority standing shall be based upon total hours of service. If a part-time employee goes to full-time employment, the employee's total hours of service will be divided by 2,080 to establish an effective seniority date.

Section 3. Seniority List. The seniority list on the effective date of this Agreement shall show the name and job title of all employees in the bargaining unit. The Employer shall keep the seniority list up to date, in addition to posting the list on the employee's bulletin board on the first of each year for a period of fourteen (14) days.

Employees shall have fifteen (15) calendar days from the date of the posting to supply written documentation, proof, and a written request for seniority change to the Employer.

Section 4. Loss of Seniority. An employee shall lose seniority for any of the following reasons:

- a. Resignation
- b. Discharge from employment
- c. Failure to return to work when recalled from layoff

Section 5. Layoffs. The word "layoff" shall mean a reduction in the work force. The following procedure shall apply. Layoffs shall be according to seniority within job classification. Probationary and/or seasonal employees will be laid off first. The Employer shall provide ten (10) working days notice of layoff. A senior employee may bump into a lateral or lower classification provided the employee is qualified for the job. An employee who bumps into another position shall be paid the salary of that position.

When the working force is increased after a layoff, employees will be recalled according to classification seniority in the reverse order of layoffs. Notice of recall shall be sent to employees at their last known address as on file with the Employer by registered or certified mail. If the employee fails to report for work within ten (10) working days from the date of mailing of the notice of recall, the employee shall be considered as having resigned. Employees shall have rights of recall for a period of one (1) year.

Section 6. Vacancies and New Positions. Notice of all permanent vacancies and newly created positions shall be posted on employees bulletin boards for a period of five (5) days. The posting shall include the qualification for the position, hours of work and rate of pay. The most senior employee, if qualified, will be given the vacant or new position.

ARTICLE XVI INSURANCE

Section 1. Health and Hospitalization Insurance. The Employer shall provide a group medical/surgical plan for regular full-time employees and their dependents. The Employer will pay 100% of a single health insurance policy for regular full-time employees electing single coverage. For employees electing a family health insurance policy for themselves and their dependents, the Employer will pay 77% of the premium and the employee's contribution will be paid through

payroll deduction.

Section 2. Claims Against Employer. It is understood that the Employer's only obligation is to provide and make available to employees an insurance policy and to pay such amounts as set forth herein, and no claims shall be made against the Employer as a result of a denial of insurance benefits by an insurance carrier.

Section 3. Disability Insurance. The Employer shall provide disability insurance for each employee. The premium cost shall not be included in the calculation in Section 1.

Section 4. Flexible Benefit. The Employer shall establish a flexible benefit program for its employees to include, but not limited to, allowing for a deferred compensation plan and a plan where pre-tax dollars can be deducted to help pay the employee share of insurance premiums and other medical costs. The Employer shall contribute \$30 per month toward the employee's health care savings plan. If an employee does not utilize the contribution in full or part, the employee shall receive a monthly contribution from the Employer by adding the remaining amount to the employee's paycheck after taxes. This program will continue as long as the employee participation warrants the Employer's cost to offer these programs.

Section 5. Life Insurance. Effective January 1, 2016 the Employer will provide \$35,000 of term life insurance coverage for regular full-time employees.

Section 6. Dental Insurance. The Employer shall provide a dental plan for regular full-time employees and their dependents. The Employer will pay 100% of a single dental insurance policy for regular full-time employees electing single coverage. For employees electing family dental coverage, the employee shall pay the difference between the single premium and the family coverage premium through payroll deduction.

Section 7. Retiree Insurance. Employees who retire with a minimum of five (5) years of service with the City and who are at least fifty-five (55) years of age at the time of retirement, will be allowed to remain in the group health insurance plan until age sixty-five (65), provided the employee pays the full monthly premium for such coverage, and said payment is made in advance to the Employer.

Section 8. If an employee is disabled due to an injury sustained during the course and scope of performing work for the Employer, the Employer will pay the full premium for health and life insurance coverage for a period of up to six (6) months.

Section 9. In the event the health insurance provisions of this Agreement fail to meet the requirements of the Affordable Care Act and its related regulations or cause the Employer to be subject to a penalty or fine, the Union and the Employer will meet immediately to bargain over insurance coverage and related contributions so as comply with the Act and avoid any penalties or fines for the Employer.

ARTICLE
XVII RATES OF
PAY

Section 1. Wages. The wages reflected in Appendix "A" and attached hereto shall be part of this Agreement and shall be effective January 1st of each said year.

The noted 3.0% general wage increases in Appendix "A" shall apply to employees employed as of January 1, 2017 and January 1, 2018

Section 2. Step Movement. An employee shall receive a step increase on the anniversary date of his/her employment. The City may withhold a step increase only for poor job performance. The Department Head shall conduct a performance evaluation sixty (60) days prior to the employee's anniversary date and shall inform the employee of deficiencies that would justify withholding of the step increase. The employee shall have an opportunity to correct such deficiencies in the sixty (60) day time period in order to be eligible for the step increase.

Section 3. Hiring and Step Movement. Typically new employees will be hired at the start rate of pay in the applicable job classification as shown on the wage grid. If the Employer or designee proposes to offer employment at a higher rate of pay, the Employer or designee shall meet and discuss this issue with the Exclusive Representative. In no circumstance shall the Employer or designee propose to hire a new employee at a wage rate higher than Step 4 on the salary schedule. In the event the Exclusive Representative does not agree with the rate of pay offered to such new employee, and the Employer or designee hires the new employee at the rate of pay, the Exclusive Representative may file a grievance beginning at Step 2 of the Grievance Procedure.

Section 4. Transfers Within the Unit. An employee who transfers to another position of a higher pay grade within the bargaining unit shall be placed on the salary schedule for the new position at a step that gives him or her an increase in his or her hourly rate of pay. The transferred employee shall serve a three (3) month probationary period for the new position per the terms of Article XIV, Probationary Period, of this Agreement. If the transferred employee moves to a position in a higher pay grade, he or she shall be eligible for a step increase upon successful completion of the probationary period. The date of transfer shall become the employee's adjusted date of employment for calculation of future annual step increases.

Section 5. Job Reclassification. An employee whose job is reclassified by the Employer and the reclassification results in a change of pay grade shall be moved to the new pay grade at a step that gives him or her an increase in his or her hourly rate of pay. The employee shall retain his or her original anniversary date for future annual step increases.

ARTICLE XVIII GENERAL PROVISIONS

Section 1. Mileage. Employees who use their own vehicles to travel on City business shall be reimbursed on a mileage basis at the rate established by the IRS.

Section 2. Part-time Employees. Except as provided in Article XV, Section 2, part-time employees who have completed the required probationary period shall be eligible for holidays, vacation and sick leave on a pro rata basis.

Section 3. Labor Negotiations. In the event labor negotiations are conducted during work hours, two (2) employees shall be allowed to attend such negotiations.

Section 4. Uniform Allowance. Regular full-time employees wearing protective or job specific clothing shall receive an annual clothing allowance of one hundred twenty-five dollars (\$125) each year paid in the form of a voucher. Upon purchase of approved clothing by an employee, such employee shall submit a voucher and receipt of purchase to their designated supervisor for reimbursement. The uniform allowance shall be limited to the following positions: building inspectors, engineering inspectors, maintenance workers, and parks maintenance workers. Clothing shall be limited to protective eyewear, protective boots, coveralls, gloves, clothing required for safety, and weather resistant clothing approved in advance by the employee's supervisor. Non-job specific articles of clothing that are not exclusive to the job (i.e. sweatshirts, tennis shoes, socks, etc.) shall not be reimbursed. Employer will also provide cloth coveralls to employees of the Public Works Department and the employer shall provide upkeep and maintenance for said coveralls.

Section 5. Transfers Into the Unit. City employees whose position is transferred into the bargaining unit from a non-bargaining unit shall be given credit for their years of service for the purpose of benefits and salary. Seniority shall be established according to Article XV, Section 1.

ARTICLE XIX DURATION

Section 1. Term and Reopening Negotiations. This Agreement shall be effective January 1, 2017 through December 31, 2018, and shall remain in effect from year to year thereafter unless either party shall give written notice by August 1st prior to any anniversary date of its desire to amend or terminate the Agreement.

Section 2. Finality. The parties mutually acknowledge that during negotiations, which resulted in this Agreement, each had the unlimited right and opportunity to submit demands and proposals with respect to any term 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 or designee 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 both with respect to any term or condition of employment not referred to or covered by this Agreement, even though such terms and conditions may not have been within the knowledge or contemplation of either or both parties at the time this Agreement was negotiated or executed.

Section 3. Mutual Agreement. Unless expressly mutually agreed in writing, this Agreement may not be reopened for negotiation during the duration thereof.

Section 4. Severability. The provisions of this Agreement shall be severable, and if any provision thereof or the application of any such provision under any circumstances is held invalid, it shall not affect any other provisions of this Agreement or the application of any provision thereof.

IN WITNESS WHEREOF, the parties hereto set their hands and seals on this _____ day of _____, 2015.

CITY COUNCIL
OF BAXTER
BAXTER, MINNESOTA

LOCAL #689B AMERICAN CITY OF CITY
FEDERATION OF STATE, COUNTY, &
MUNICIPAL EMPLOYEES, AFL-CIO

BY _____

Darrel Olson
Mayor

BY _____

Kelly Steele
Interim City Administrator

BY _____

Doug Schultz
Union Steward

BY _____

Steve Karels
Union President

BY _____

Ginger Thrasher
Union Representative

APPENDIX A

CITY of BAXTER

AFSCME EMPLOYEES HOURLY PAY GRADE & STEP SCHEDULE

2017-2018

January 2017 COLA 3.00%
January 2018 COLA 3.00%

Pay Grade Year	2017 Revised Payroll Step									
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	
	Prior Payroll Step									
	3	4	5	6	7	8	9	10	11	
1 2017	\$14.45	\$14.87	\$15.29	\$15.75	\$16.13	\$16.51	\$16.94	\$17.32	\$17.74	
2018	\$14.88	\$15.32	\$15.75	\$16.22	\$16.61	\$17.01	\$17.45	\$17.84	\$18.27	
2 2017	\$16.10	\$16.57	\$17.06	\$17.60	\$18.01	\$18.47	\$18.89	\$19.35	\$19.78	
2018	\$16.58	\$17.07	\$17.57	\$18.13	\$18.55	\$19.02	\$19.46	\$19.93	\$20.37	
3 2017	\$17.29	\$17.81	\$18.28	\$18.87	\$19.31	\$19.77	\$20.24	\$20.73	\$21.22	
2018	\$17.81	\$18.34	\$18.83	\$19.44	\$19.89	\$20.36	\$20.85	\$21.35	\$21.86	
4 2017	\$18.54	\$19.07	\$19.61	\$20.22	\$20.71	\$21.21	\$21.70	\$22.22	\$22.76	
2018	\$19.10	\$19.64	\$20.20	\$20.83	\$21.33	\$21.85	\$22.35	\$22.89	\$23.44	
5 2017	\$20.60	\$21.18	\$21.78	\$22.46	\$23.03	\$23.58	\$24.16	\$24.77	\$25.29	
2018	\$21.22	\$21.82	\$22.43	\$23.13	\$23.72	\$24.29	\$24.88	\$25.51	\$26.05	
6 2017	\$22.08	\$22.71	\$23.37	\$24.12	\$24.73	\$25.28	\$25.89	\$26.52	\$27.17	
2018	\$22.74	\$23.39	\$24.07	\$24.84	\$25.47	\$26.04	\$26.67	\$27.32	\$27.99	
7 2017	\$23.70	\$24.39	\$25.13	\$25.87	\$26.48	\$27.15	\$27.81	\$28.49	\$29.13	
2018	\$24.41	\$25.12	\$25.88	\$26.65	\$27.27	\$27.96	\$28.64	\$29.34	\$30.00	
8 2017	\$25.46	\$26.20	\$26.96	\$27.78	\$28.47	\$29.12	\$29.86	\$30.59	\$31.29	
2018	\$26.22	\$26.99	\$27.77	\$28.61	\$29.32	\$29.99	\$30.76	\$31.51	\$32.23	
9 2017	\$27.27	\$28.09	\$28.91	\$29.82	\$30.56	\$31.28	\$32.04	\$32.84	\$33.60	
2018	\$28.09	\$28.93	\$29.78	\$30.71	\$31.48	\$32.22	\$33.00	\$33.83	\$34.61	

Grade	Position
3	Parks & Trails Maintenance Worker
4	Building Inspections Technical Clerk Community Development Administrative Assistant Police Administrative Assistant Public Works Administrative Assistant Receptionist/Cashier
5	Public Works Maintenance Worker Parks & Trails Lead Maintenance Worker Utility Billing Specialist
6	Building Inspector Public Works Lead Maintenance Worker
7	Finance Specialist
8	Engineering Technician Finance Analyst Planner

MEMORANDUM OF UNDERSTANDING

This Memorandum of Agreement is entered into between the City of Baxter (hereafter "City") and American Federation of State, County, and Municipal Employees, AFL-CIO Local Union #689B (hereafter "Union").

WHEREAS, the parties have agreed the City has conducted a market wage study of Union employees for the 2017-2018 contract.

NOW, THEREFORE, the City and the Union agree as follows:

1. The City will complete a pay grade study for the positions of Public Works Administrative Assistant and Police Administrative Assistant by the end of 2017. If supported by the results of the pay grade study, the City shall adjust the pay grade for the positions of Public Works Administrative Assistant and Police Administrative Assistant.
2. The City will eliminate the first two steps of the AFSCME Employee Schedule titled Step 1 Start and Step 2 Probationary, effective January 1, 2017.
3. The City will adjust the Park Maintenance position from Pay Grade 2 to Pay Grade 3 of the AFSCME Employee Schedule, effective January 1, 2017.

FOR CITY OF BAXTER

FOR American Federation of State, County,
and Municipal Employees, AFL-CIO Local
Union #689B.

Date

Date

Date

Date