

AGREEMENT

between

**BOVEY- COLERAINE - TACONITE
JOINT WASTEWATER COMMISSION**

and

**THE AMERICAN FEDERATION OF STATE, COUNTY AND
MUNICIPAL EMPLOYEES, AFL-CIO**

LOCAL UNION NO. 456

JANUARY 1, 2020 - DECEMBER 31, 2022

BARGAINING UNIT:

1. SERVICE

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AGREEMENT BETWEEN

BOVEY-COLERAINE-TACONITE JOINT WASTEWATER COMMISSION
AND THE AMERICAN FEDERATION OF STATE, COUNTY AND
MUNICIPAL EMPLOYEES, AFL-CIO, LOCAL UNION NO.456

* * * * *

THIS AGREEMENT, DATED THE FIRST DAY OF JANUARY, 2020, ENTERED INTO BY AND BETWEEN THE BOVEY-COLERAINE-TACONITE JOINT WASTEWATER COMMISSION. HEREINAFTER REFERRED TO AS THE EMPLOYER, AND LOCAL UNION NO. 456 OF THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, AFFILIATED WITH THE AMERICAN FEDERATION OF LABOR AND THE CONGRESS OF INDUSTRIAL ORGANIZATION, HEREINAFTER REFERRED TO AS THE UNION.

THIS DOCUMENT IS ONE INSTRUMENT AND REPRESENTS ONE BARGAINING UNIT: SERVICE.

ARTICLE I
PURPOSE OF AGREEMENT

Section A.

It is the intent and purpose of the parties hereto to set forth herein the basic agreement covering rates of pay, hours of work, and all other conditions of employment to be observed between the parties hereto.

Section B.

The provisions of this Agreement constitute the sole procedure for the processing and settlement of any claim by an employee or the Union of a violation by the Employer of this Agreement. As the representative of the employees, the Union may process grievances through the grievance procedure including arbitration in accordance with this Agreement or adjust or settle the same.

ARTICLE II
DEFINITION OF REGULAR EMPLOYEE

Section A.

The term "regular employee", as used in this Agreement, shall mean any employee who has been employed by the Bovey-Coleraine-Taconite Joint Wastewater Commission or appointed to work for the Bovey-Coleraine-Taconite Joint Wastewater Commission by an authorized supervisor or department head and who works regularly full-time or regularly part-time an average of fourteen (14) hours per week or more and who has completed sixty-seven (67) consecutive working days.

Section B.

All regular part-time employees must average 24 hours per week or more to be eligible for any benefits.

ARTICLE III
RESPONSIBILITIES OF PARTIES

Section A.

Each of the parties of this Agreement acknowledges the rights and responsibilities of the other parties and agrees to discharge its responsibilities under this Agreement.

Section B.

The Employer, including its managerial, supervisory and representatives at all levels, is firmly bound to observe the conditions of this Agreement.

Section C.

The Union, including its officers and representatives and all employees are firmly bound to observe the conditions of this Agreement.

Section D.

In addition to the responsibilities that may be provided elsewhere in this Agreement, the following shall be observed:

1. The applicable procedures of this Agreement will be followed in the settlement of all grievances. All grievances shall be considered carefully and processed promptly in accordance with such procedures.
2. There shall be no interference with the rights of employees to become or continue as members of the Union.

ARTICLE IV
RECOGNITION

Section A.

The Employer recognizes Local Union No. 456, American Federation of State, County and Municipal Employees, or known as AFSCME, AFL-CIO, Local No. 456, as the exclusive representative for collective bargaining purposes for all employees of the Bovey-Coleraine-Taconite Joint Wastewater Commission, excluding elected officials and officials appointed by the Employer to serve on Commissions or Boards. No discrimination shall be exercised against any employee because of Union membership or because of race, creed, sex, color, religious or political belief.

Section B.

The Employer shall not enter into any agreement with the employees coming under the jurisdiction of this Agreement, either individually or collectively, which in any way conflicts with the terms and conditions of this Agreement.

ARTICLE V
CHECKOFF OF UNION DUES

Section A. In recognition of the Union as the exclusive representative:

- 1.1 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.
- 1.2 The Employer shall remit such deductions to 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.
- 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 B. Fair Share/Agency Fee.

The Union may collect an agency fee or 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 C.

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 action taken by the Employer under all provisions of this Article.

ARTICLE VI
HOURS OF WORK

Section A.

The normal work day shall consist of eight (8) hours per day, and the average work week shall consist of forty (40) hours per week.

Due to the Water and Wastewater plants necessity to operate on a year around 24-hour non-stop basis in order to provide and meet the services of the City's populous as to Water and Waste Water Treatment, it is understood by all parties of this Agreement that the employees or their properly assigned substitute are required to be on an on-call basis at all times when they are not actually working their normal work shift. It is further understood that any work hours performed after they have worked their normal eight (8) hour shift shall be compensated on a time and one-half (1-1/2) basis and shall be taken off as in the past as compensatory time off at such time as the needs of service permit. Work hours performed during a holiday

shall be subject to the holiday provisions of this contract. The past practice of scheduling and method of compensatory time off as payment for the applicable overtime hours worked shall be adhered to unless a change of same is mutually agreed to by the parties of this Agreement.

Hours of work shall be conditioned to the needs of service. Should there be extensive extenuating circumstances by which the regular operator would be required to replace a part-time operator's absenteeism and further, should there be any major breakdowns, the regular operator shall be required to notify the Commission of the existence of such conditions for the adjustment of additional hours and compensation.

Section B.

If the needs of service permit, all employees shall receive two (2) fifteen-minute rest periods in each eight-hour shift, at times designated by their immediate supervisor, except that all employees working straight eight-hour shifts shall not exceed thirty (30) minutes for lunch and coffee breaks.

Section C.

The Employer agrees that split shift work will not be scheduled for employees of any department.

Section D. Overtime Hours.

At the employee's option, and subject to approval from the administration, an employee may choose to take compensatory time off for overtime hours at one and one-half (1-1/2) time rates. Maximum build-up at one given time shall be 2 days (16 hours) which would entitle the employee to 3 days (24 hours) off his regular scheduled work week. Compensatory time cannot be carried into the next year.

Section E. Call-Outs

Any employee called out to work shall be paid for a minimum of two (2) hours at time and one-half (1-1/2) rates. An employee who works more than two (2) hours on a call-out shall be compensated at time and one-half (1-1/2) rates for all hours worked until the start of his/her scheduled shift.

ARTICLE VII
HOLIDAYS

Section A.

All regular full-time and permanent part-time employees shall receive the following paid holidays. All regular full-time and permanent part-time employees shall receive the following paid holidays:

- | | | |
|-----------------|----------------------------|------------------------|
| New Year's Day | Fourth of July | Christmas Eve Day |
| Labor Day | Christmas Day | 4 Floating Holidays |
| President's Day | 1/2 Day New Year's Eve Day | |
| Memorial Day | Thanksgiving Day | Martin Luther King Day |

Section B.

All regular full-time and part-time employees who are required to work on any of the above holidays shall be compensated at one and one-half (1-1/2) times the regular rate of pay for their work that day, in addition to their regular holiday pay. Hours worked on a holiday shall not exceed four hours. Additional hours may be worked, should there be any major breakdowns, if approved by the Supervisor.

Section C.

When a holiday falls during an employee's scheduled day off or during his vacation period, he shall receive an additional day's pay or have the option of taking an additional day off in lieu thereof with pay.

Section D.

Provided, when New Year's Day (January 1), Independence Day (July 4), or Christmas Day (December 25) fall on Sunday, the following day shall be a holiday; and provided, when New Year's Day (January 1), Independence Day (July 4), or Christmas Day (December 25) fall on Saturday, the preceding Friday shall be the holiday.

ARTICLE VIII
PERSONAL DAYS

All regular full-time employees shall receive five (5) personal days, forty (40) hours per year. The employee may utilize such days to conduct personal business without loss of pay. Personal days will be compensated at the employee's regular rate of pay.

ARTICLE IX
VACATIONS

Section A.

All full-time employees shall receive the following paid vacations:

	<u>WEEKS</u>		<u>FULL YEARS OF SERVICE</u>
(5days)	1	after	One (1)
(10days)	2	"	Two (2)
(15days)	3	"	Five (5)
(20days)	4	"	Ten (10)
(25days)	5	"	Eighteen (18)
(30days)	6	"	Twenty-five (25)
31days		"	Twenty-six (26)
32days		"	Twenty-seven (27)
33days		"	Twenty-eight (28)
34days		"	Twenty-nine (29)
35days		"	Thirty (30)

Regular employees working less than full-time shall receive vacation benefits on a pro rata basis.

Section B.

In determining vacation periods, the wishes of the employees will be respected as to the time of taking vacation, insofar as the needs of the service will permit, it being understood that the rights of the senior employee will prevail in the selection of vacation time when an agreement cannot be reached among the employees.

Section C.

The vacation period of an employee shall not be split, except by mutual agreement of the employee and the Employer.

Section D.

Upon termination of employment, after having given two (2) weeks notice or by Employer request, employees shall be paid for any accumulated vacation credit. Accumulated vacation shall mean vacation earned by such employee according to years of service, times that portion of the year worked at the time of the termination of employee.

Section E.

Vacation time shall not accumulate from one year to another, unless other arrangements are mutually agreed upon by the employee, the Employer and the Union.

ARTICLE X
SICK LEAVE

Section A.

All regular full-time employees shall earn sick leave at the rate of ten (10) working days for each year of service (.83 days per month).

At the end of each month, .83 days will be given a dollar value by taking $.83 \times 8 \text{ hours} \times \text{employee hourly wage}$. The resulting value shall be placed in an interest bearing account for each individual eligible employee. Each eligible employee shall have his own account and will accrue all interest earned to his account. The individual employee accounts will be set up and administered by the Bovey/Coleraine/Taconite Wastewater Board.

When an employee utilizes sick leave, the employee's sick leave pay will be subtracted and paid for from his sick leave account. In the event an employee's sick leave account is depleted, he will not be eligible for sick leave pay.

All regular part-time employees shall earn sick leave on a pro rata basis. To pro rate the sick leave benefits for any given month, the number of hours worked in such month shall be divided by the factor 173.3 and the resultant multiplied by the maximum monthly accumulative hours earned. (Example: hours worked 86.65 divided by 173.3 = .5 x 10 hours = 5 earned hours.)

Section B.

An employee may be required to present a medical report satisfactory to the Employer of inability to work due to illness or accident.

Section C.

If an employee shall receive a compensable injury and have accrued benefits under either sick leave or vacation plan, the Employer shall pay the difference between the compensation received by the employee at his regular monthly rate, same to be deducted from the accrued vacation or sick leave benefits. It is understood that the additional payments made to the employee over and above that paid by the Workmen's Compensation shall not exceed the amount of credits which an employee is entitled to from the accrued vacation or sick leave benefits.

Section D.

No sick leave credit will be accrued while an employee is away from work due to leave of absence, sickness or disability, nor will sick leave be paid during leave of absence or during layoffs, except as provided hereinafter.

Section E.

If an employee becomes ill or is injured while on vacation, the scheduled vacation time is counted as vacation; and, if the disability continues beyond the scheduled time of the vacation, sick leave pay (any remaining sick leave credit) will begin on the first consecutive scheduled working day after the end of the scheduled vacation.

Section F.

The Employer will pay for all physical examinations if required by the Employer or by any State rules and regulations.

Section G. Severance.

The current value of each individual employee's sick leave account will be placed in a separate B/C/T Wastewater account for each employee.

Upon retirement, total permanent disability, termination of employment or death of an employee, the employee or his beneficiary will receive the total value of the employee's sick leave fund account as follows:

The employee cash benefit amount will be calculated by taking one hundred sixty-five (165) days x eight (8) hours x the employee's then current wage. The employee or his beneficiary shall be paid seventy percent (70%) of the resulting dollar value.

The resulting dollar value will then be compared to the total dollar value in the employee's sick leave account. In the event the total value of the employee sick leave account exceeds the above benefit amount calculation, the excess value shall be split 50/50. The employee will receive an additional cash payment for fifty percent (50%) of the excess value. The Employer will retain the remaining fifty percent (50%) (see Example #1).

However, in the event the benefit amount total is less than the total value of the employee's sick leave account, the employee shall receive seventy percent (70%) of the cash benefit amount total as a cash payment. The remaining value will be retained in the employee's sick leave account and used to offset employee dependency costs for hospital medical insurance as per Appendix B-2 and B-3 (see Example #2).

Example - Sick Leave Fund Account:

Example #1:

Total sick leave account value @\$30,000.00.

165 days x 8 hours x \$18.05 (employee wage @ time of eligibility) =
\$23,826.00

70% of \$23,826.00 = \$16,678.20 - cash paid to employee

30% of \$23,826.00 = \$7,147.80 - retained to pay employee beneficiary share of insurance premium

\$30,000

-23,826

\$ 6,174.00 (excess value in account)

x 50%

\$3,087.00 Additional paid to employee

Total employee benefit - \$16,678.20 + \$7,147.80 + 3,087 = \$26,913.00

Employer retains \$3,087.00.

Example #2:

Total sick leave account value @\$20,000.00.

165 days x 8 hours x \$18.05/hr (employee wage at time of eligibility) =
\$23,826.00.

70% of \$20,000 = \$14,000 (cash benefit paid to employee)

30% of \$20,000 = \$6,000.00 (retained to pay employee beneficiary share of health insurance premium)

Total employee benefit = \$14,000 + \$6,000 = \$20,000.00

ARTICLE XI
DEATH IN THE FAMILY

A maximum of three (3) days absence without loss of pay shall be allowed an employee in the case of a death in the immediate family. Immediate family shall be defined as a brother, sister, son, daughter, father, mother, wife or husband, father-in-law, mother-in-law, grandparents and grandchildren of either the employee or his spouse. Two (2) additional days shall be allowed in the event travel is necessary.

ARTICLE XII
SENIORITY

Section A.

All regular employees working for the Bovey-Coleraine-Taconite Joint Wastewater Commission, as outlined in the bargaining unit of the Recognition Clause, shall be covered by this Agreement and placed on the seniority list.

Section B.

Seniority standing shall be granted to all employees in accordance with the length of continuous service for the Bovey-Coleraine-Taconite Joint Waste Water Commission. Each new employee, upon completion of six (6) months of employment, shall be placed on the seniority list as of the employee's first day of employment. During such probationary period of six (6) months, employees may be discharged by the Employer without cause and without the same causing a breach of this Agreement or constituting a grievance hereunder.

Continuous service shall be determined by the date of the employee's first regular employment for the Bovey-Coleraine-Taconite Joint Wastewater Commission or the date of re-employment after a break in continuous service. Continuous service is broken by:

1. Voluntary quitting the service of the Commission;
2. Absence due to discharge, termination, suspension or leave of absence, any of which continues for more than six (6) consecutive months.

Section C.

An employee shall lose his seniority standing upon voluntary resignation from employment, or upon discharge for cause. An employee's seniority shall not be terminated because of absence due to illness, authorized leave of absence, or temporary layoff.

Section D.

In the event of a layoff, employees shall be laid off according to seniority in the inverse order of hiring. Employees shall be rehired according to seniority in the inverse order of layoffs, maximum two (2) years.

Section E.

In case of a reduction of force or the elimination of a position, a senior employee may exert his seniority preference over a junior employee in any classification of work, provided he has the necessary qualifications to perform the duties of the job involved.

Section F.

A temporary vacancy shall be any vacancy or temporary work assignment which results because of the absence of another regular employee and which continues in excess of one (1) work day and which does not result in a break of continuous service of a regular employee as defined in Section B of this Article and which does not constitute a newly-created position. The Employer, at its discretion, may fill such temporary vacancy with the senior qualified employee within the department. Such employee shall receive the classification or position rate of pay or his own classification or rate of pay, whichever is the greater, provided, further, that Article III, Sections A and B, shall apply in all cases.

Section G.

Notice of all vacancies and newly-created positions shall be posted on the employee bulletin board, and the employees shall be given seven (7) days time in which to make application to fill the vacancy or new position. The senior employee making application shall be transferred to fill the vacancy or new position, provided he has the necessary qualifications to

perform the duties of the job involved. The Employer or other appropriate department head shall make the determination as to whether or not an applicant possesses the necessary qualifications. The employee awarded the position shall be granted a 90 working day trial period in which time the employee may opt to return to the employee's previous position, and the Employer shall have the same 90 working day period to determine if the employee is capable of performing the duties of the position. In the event the Employer determines that the employee is not capable of performing the job duties, said employee shall return to the employee's previous position and shall retain the right of appeal via the grievance procedure. Newly-created positions or vacancies are to be posted in the following manner: The type of work, the place of work, the rate of pay, the hours to be worked, and the classification.

ARTICLE XIII
GRIEVANCE PROCEDURE

Section A.

The Employer and the Union shall attempt to adjust all grievances which may arise by virtue of this Agreement or otherwise in the following manner:

1. An effort shall be made to adjust the grievance between the employee and/or a grievance committee and the immediate supervisor.
2. In the event no settlement has therefore been reached, the Employer shall, upon written request of the Union, grant a formal hearing on the grievance.
3. In the event no settlement is thereby reached, it shall be mandatory to the parties of this Agreement to submit the grievance to arbitration, and the decision and award made in arbitration shall be final and binding on both parties.
4. Duly authorized representatives of the Union shall have the right to accompany the Union Grievance Committee in the discussion or adjustment of Union grievances.

Section B. Method and Procedure in the Selection of an Arbitrator:

Should the grievance go to Step 3, the parties hereto agree that within ten (10) days after Step 2, either of the parties shall have the right to submit to the Director of Mediation a request for five (5) names for the purpose of the parties to select one of the five (5) names as the arbitrator. The method in the choice shall be each of the parties hereto shall eliminate one name at a time until one name remains. The remaining party shall be the arbitrator. It is hereby agreed that the cost and expense of the arbitrator shall be shared equally by the parties of this Agreement. First strike shall be determined by the flip of a coin.

ARTICLE XIV
TRANSFERS, DEMOTIONS, SUSPENSIONS, DISCHARGES & LAYOFFS

Section A. Transfers and Demotions.

Demotions or transfers to a lower classification shall be made only for just cause. The Union Grievance Committee Chairman and the employee affected shall receive prior notice in writing of any such action. If the Union feels the action was taken without just cause, the employee shall have the right of appeal through the normal grievance procedure. In the case where a demotion or transfer has been proved unjustified and the employee returned to his former status, the loss of pay involved shall be restored.

Section B. Suspension.

Any employee may be temporarily suspended for just cause. The employee shall be notified of the reasons for his suspension in writing at the time thereof. If the employee feels he has been suspended without just cause or that the period of suspension is unwarranted, the employee shall have the right of appeal by invoking the normal grievance procedure within five (5) days of the date of suspension. If it is determined that the suspension was made without just cause, the employee shall be reinstated immediately and shall receive full pay for any time lost as a result of the suspension.

Section C. Discharge.

Discharge shall be made only for just cause. An action to discharge an employee shall be taken by the Employer only after a hearing upon due notice, upon stated charges, in writing. The statement of charges and the notice of hearing shall be filed with the employee and the Union at least ten (10) days in advance of the hearing. The employee and the Union shall have the right to present witnesses, introduce evidence and to examine witnesses and evidence presented against him. The salary of the employee shall be suspended during the period of which the hearing takes place, but his or her name shall not be removed from the payroll. In case of reinstatement after the hearing, the employee may be given all the back pay withheld during the period of suspension, except as such penalty may be deemed necessary by the Employer as a disciplinary measure.

Section D. Layoffs.

In the event a general layoff is contemplated, the Employer agrees to call in the Union Grievance Committee and to discuss the problem with them before any action is taken.

Section E.

Nothing herein shall be construed to affect the status of War Veterans in contravention of existing laws relating to War Veterans employment, discharge or promotion.

Section F.

Any article, clause or statement herein contained that in any way violates the laws of the State of Minnesota or Federal Law shall be disregarded, and the State and Federal Statutes shall apply.

ARTICLE XV
GENERAL PROVISIONS

Section A.

The Employer agrees to permit the Negotiating or Grievance Committee to appear, at all negotiating or grievance meetings with the Employer in negotiations or disputes without the loss of pay.

Section B.

Representatives of the American Federation of State, County and Municipal Employees, AFL-CIO, shall have access to the premises of the Employer at reasonable times and subject to reasonable rules to investigate grievances and other problems with which they are concerned.

Section C.

There shall be no replacement of regularly employed employees by voluntary or relief workers.

Section D.

The Employer will erect and maintain a bulletin board of reasonable size to be placed in each one of the buildings where employees report for work, which bulletin board shall be for the use of the Union to post any notices or documents relating to Union affairs.

Section E.

All matters not covered by this Agreement shall be settled by negotiations between the Employer and the Union.

Section F.

The Commission shall pay for safety glasses (not more than one pair in a two-year period). The glasses must be safety type frames with side shields and a prescription must be submitted to the Commission's designated authority to obtain payment for same. The Employer shall reimburse each employee the sum of \$250.00 for boots and/or work-related apparel yearly. The employee will provide the Employer with a copy of the purchase invoice.

Section G. 403B Plan

The Employer shall provide a 403B Deferred Compensation Plan for all full and part-time employees. Employees may make voluntary contributions to their plan up to the maximum allowed by law. The Employer is under no obligation to contribute to the plan.

ARTICLE XVI
DISCIPLINARY PROVISIONS

Section A.

All Bovey-Coleraine-Taconite Joint Wastewater Commission employees, including but not limited to those who are in good standing and who have satisfactorily fulfilled the period of probation, shall be subject to discharge for cause and due process of law.

Section B.

Disciplinary action in the form of suspensions may be instituted against Joint Commission employees by the Wastewater Commission for, but not limited to, the following reasons:

1. Engaging in physical or personal abuse; or
2. Engaging in offensive, obscene or abusive language or in boisterous and noisy conduct, tending reasonably to arouse, alarm, anger or resentment in others.
3. Insubordination, including disobedience of a reasonable order of a supervisory or refusal to perform assigned duties. Such insubordination should be brought to the attention of the Joint Commission as well as the supervisor's recommendations concerning discipline.
4. In the case of a supervisor, insubordination, including disobedience of a reasonable order of the Commission or refusal to perform assigned duties.

ARTICLE XVII
DURATION OF AGREEMENT

Section A.

Except as otherwise provided, this Agreement shall continue in full force and effect until December 31, 2022. Either of the parties shall be required to submit written notice at least sixty (60) days prior to the termination of the Agreement for the purpose of negotiating a new agreement. If settlement on a new agreement cannot be reached within the provided sixty (60) days, the present agreement shall remain in effect until a new settlement has been reached.

Effective Date: January 1, 2020

LOCAL UNION NO. 456
AMERICAN FEDERATION OF STATE, COUNTY
& MUNICIPAL EMPLOYEES, AFL-CIO

COLERAINE-BOVEY-TACONITE
JOINT WASTEWATER COMMISSION

Chapter Chair

Witness

Staff Representative

Chuck Brist

(COLERAINE)

Jeshiro Casy

Date of Signatures: 1/8/2020, 2020.

APPENDIX "A"

It has been agreed to by both parties of this Contract that the amount of hourly increase granted shall be as follows:

1)Effective :	<u>2020</u>	<u>2021</u>	<u>2022</u>
*Waste Water Operator	\$27.61	\$28.30	\$29.01
Maintenance/Operator Helper	\$25.22	\$25.85	\$26.50

NEW HIREES:

New hirees employed after January 1, 1991, shall receive the following percentage of scale:

0 - 6	months of service	80%
6 - 12	months of service	85%
12 - 18	months of service	90%
18 - 24	months of service	95%
24	months and thereafter	100%

The Commission may waive the preceding percentage of scale and grant a step increase before scheduled.

LONGEVITY:

After fifteen (15) years of service (employees anniversary date), employees will receive 2% longevity pay in addition to their then hourly rate; provided, however, such payment shall be made only once per year, in the last pay period of said year, for all eligible employees. Such payment shall be in a separate check.

APPENDIX B-1
ACTIVE EMPLOYEES GROUP INSURANCE BENEFITS

Section A.

The Employer will provide and pay the entire premium for life insurance in the amount of \$20,000.00 for each eligible full-time and/or regular part-time employee. If fifty-one percent (51%) of the group under the age of sixty-five (65) are willing to purchase additional \$5,000.00 of life insurance and pay the premium themselves, such option will be permitted. Each employee at age sixty-five shall be provided with \$1,500.00 death benefit.

Section B.

1. Effective July 1, 2018 the Employer agrees to provide to all eligible Employees and retirees comprehensive group health insurance from PIEP. Cost level 2- Health Savings Plus Health Reimbursement Account Option (H.S.A) shall be provided for all eligible active employees. PIEP Advantage Plan Option-Early Retiree/Retiree Option (H.R.A.) to all retired employees hired prior to July 1, 2018.
2. Effective July 1, 2018 the Employer will move to the aforementioned deductible plan subsidized through employer contributions of 100% of the deductible into the employees' Healthcare Savings Account/Healthcare Reimbursement Account.
3. Effective July 1, 2018 the Employer's annual contribution to all full and part-time active employees and retiree's HSA/HRA account shall be 100% of the deductible with the amounts as follows:

SINGLE	\$2,000.00 HSA	\$1,000.00 HRA
FAMILY	\$6,000.00 HSA	\$1,000.00 HRA

4. Any employee hired after July 1, 2018 will only get an HSA contribution of \$4,000.00 only. No supplemental insurance after age 65.
5. The employer shall contribute the full amount of the deductible contribution into each qualifying employee's/Retiree's HSA/HRA account. The annual contribution shall occur to coincide with the insurance plan renewals expectedly January 1, 2018 of each calendar year
6. The Employer agrees to contribute no less than 100% of the plan deductible in subsequent years unless otherwise negotiated. If an employee is excluded due to veteran's status, the employer will pay the employee directly the above listed amounts.
7. Deductibles for Part-Time employees shall be fully funded in the same manner as Full-Time employees.
8. Any early retiree or retired employee shall have a \$7,000.00 contribution annually to the standard HRA by the employer.
9. The Employer shall provide and pay the full cost of hospital medical insurance, for single plan coverage,; for all employees of the City. The employee desiring family plan coverage will be required to pay fifteen percent (15%) of the difference between the single plan

coverage and the family plan coverage.

Employees hired on or after January 1, 2005 shall pay twenty percent (20%) of the single or family health insurance premium cost.

Section C.

The Employer will provide and pay the entire premium (for all employees) for dental coverage (single and/or family plan) under the Delta Dental Plan. Present claim allowed benefits shall not be altered unless agreed to by both parties. Negotiations may be reopened on the aforementioned at the request of either party.

Section D.

If there should be any increase in the premium rates or any increase in the benefits of any of the insurance programs, such increase in benefits and the payment for any such increase in rates will be picked up by the Employer.

Section E.

Life insurance, hospital and medical, and dental coverage shall be provided by the Employer during sick leave and vacation. The Employer agrees to pay the above premium cost of group life insurance, hospitalization and medical and dental coverage for all employees who perform work during any month or are on paid sick leave, vacation, or who are unable to work due to a compensable injury.

APPENDIX B-2

SICK LEAVE FUND

Section A.

All employees who have ten (10) years or more of continuous employment with the Bovey-Coleraine-Taconite Joint Wastewater Commission and who have reached a retirement age and are eligible for benefits under any Public Employee Retirement Act or are entitled to benefits under the Federal Social Security Act, a retirement age limit set up by the Commission, or who become totally permanently disabled as of February 1st or thereafter, shall be eligible to be continued under the then-existing hospitalization and medical program covering employees of the Commission and their dependents.

Section B.

All employees who have accumulated sick leave to their credit at the time of retirement, termination of employment, at such time as he becomes totally permanently disabled, or upon the employee's death shall be credited with an amount of sick leave equivalent to the current value of his unused sick leave accumulation. The monetary value of the employee's sick leave fund will be distributed in accordance with severance language (Article X, Section G).

Section C.

The records of the Coleraine City Clerk shall make such determination for employees as to the number of accumulated sick leave days an employee has at the time of retirement or total permanent disability. In all cases, the records of the Coleraine City Clerk shall be final in such determination.

Section D.

The retired employee's accumulated sick leave fund shall continue in full force and effect and shall be distributed in payments in accordance with the provisions of hospitalization and medical insurance coverage covering retired employees and their dependents; in the event of an employee's death, any remaining sick leave pay shall be applied toward hospital-medical insurance premiums for the employee's dependents until such fund is exhausted.

APPENDIX B-3
INSURANCE COVERAGE OF RETIRED EMPLOYEES

Section A.

The Employer shall insure or protect its retired employees and their dependents under a policy or policies or contract or contracts of group insurance or benefits covering life, health and accident, medical and surgical benefits or hospitalization insurances or benefits and pay all or any part of the premiums or charges of such insurance or protection.

Section B. Re: Eligibility of Retired Employees.

Any employee of the Bovey-Coleraine-Taconite Joint Wastewater Commission who retires shall become eligible for the supplemental insurance coverage or insurance programs now in effect with the Commission; provided, however, that such retired employee is eligible for the benefits under any Public Employee Retirement Act or entitled to benefits under the Federal Social Security Act.

Section C.

For any employee who retires in accordance with an age acceptable to Minnesota Public Employees Retirement Association/Social Security or at the retired age limit set up by the Employer and is not eligible for Medicare, the Employer will continue to provide such hospitalization and medical insurance coverage for retired employees and their dependents and provide the payment for such by paying full single rate and 50% of dependency costs. The 50% dependency premium cost, which is the obligation of the employee, shall be paid for by the Employer from the accumulated sick leave fund. If the fund is exhausted, the employee will provide such monies to the Clerk. In the event of the retired employee's death, any remaining sick leave pay shall be applied toward hospital-medical insurance premiums for the employee's dependents until such fund is exhausted.

Section D.

Any employee whose services are terminated due to total permanent disability shall be continued to be covered by the then-existing hospitalization and medical insurance program covering employees of the Bovey-Coleraine-Taconite Joint Wastewater Commission. The employee cost of such insurance program shall be paid for out of the accumulated sick leave fund. In the event the employee's sick leave fund is exhausted, the employee shall pay his share of insurance premium payments. In the event of the disabled employee's death, any remaining sick leave pay shall be applied toward hospital-medical insurance premiums for the employee's dependents until such fund is exhausted.

Section E.

The Employer agrees to provide for each retiree and his dependents who are entitled to Federal Social Security Medicare, a supplemental hospital-

medical insurance coverage. Such supplemental coverage shall be that area of hospital medical benefits not provided for under the Federal Social Security Medicare program. The Employer agrees to provide and pay the premium for such retiree and his dependents on the basis of full single premium and 50% of dependency coverage. Any portion of the premium that may be the obligation of the retiree will be paid for by the Bovey-Coleraine-Taconite Joint Waste Water Commission from the employee's accumulated sick leave fund, or by the retired employee in the event he has no sick leave accumulated. Such arrangements shall cease upon the death of the retiree, and the Employer will no longer be obligated for any dependency coverage.

Section F.

Any employee hired after January 1, 2017 must have fifteen (15) or more years of service to qualify for retiree benefits.

Note: All retirees and dependents eligible for Medicare must enroll.