

LABOR AGREEMENT

between

THE CITY OF WATERVILLE

and

LOCAL UNION NO. 2439

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

January 1, 2017 through June 30, 2019

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I	PURPOSE OF AGREEMENT ----- 3
ARTICLE II	RECOGNITION ----- 3
ARTICLE III	DEFINITIONS ----- 3
ARTICLE IV	UNION SECURITY ----- 5
ARTICLE V	EMPLOYER AUTHORITY ----- 6
ARTICLE VI	SENIORITY ----- 6
ARTICLE VII	GRIEVANCE PROCEDURE ----- 8
ARTICLE VIII	NO STRIKE/NO LOCKOUT ----- 9
ARTICLE IX	PROBATION AND TRIAL PERIODS ----- 10
ARTICLE X	WORK SCHEDULES - PREMIUM PAY ----- 10
ARTICLE XI	HOLIDAYS ----- 11
ARTICLE XII	VACATIONS ----- 12
ARTICLE XIII	SICK LEAVE ----- 13
ARTICLE XIV	LEAVES OF ABSENCE ----- 14
ARTICLE XV	ABSENCE WITHOUT LEAVE ----- 15
ARTICLE XVI	ALLOWANCES ----- 15
ARTICLE XVII	INSURANCE ----- 15
ARTICLE XVIII	RIGHT OF SUBCONTRACT ----- 16
ARTICLE XIX	INDIVIDUAL RIGHTS ----- 16
ARTICLE XX	COMPLETE AGREEMENT & WAIVER OF BARGAINING ----- 16
ARTICLE XXI	SAVINGS CLAUSE ----- 17
ARTICLE XXII	DISCIPLINE AND DISCHARGE ----- 17
ARTICLE XXIII	CLOTHING ALLOWANCE ----- 17
ARTICLE XXIV	SALARY RATES ----- 17
ARTICLE XXV	TERM OF AGREEMENT ----- 18
APPENDIX A	SALARY SCHEDULE ----- 19

ARTICLE I. PURPOSE OF AGREEMENT

1.1 This Memorandum of Agreement, hereinafter referred to as the Agreement, is entered into between the City of Waterville, hereinafter called the Employer, and Council No. 65, American Federation of State, County and Municipal Employees, AFL-CIO, hereinafter called the Union. The intent and purpose of this Agreement is to:

1.11 Express in written form the complete Agreement between the parties on hours, wages and other conditions of employment, and to specify the duration of this Agreement.

1.12 Establish orderly procedures for the resolution of disputes concerning the interpretation and/or application of provisions set forth in 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. The parties recognize that this Agreement is not intended to modify any of the authority vested in the Employer by the statutes of the State of Minnesota, except as provided in this Agreement.

ARTICLE II. RECOGNITION

2.1 The Employer recognizes the Union as the exclusive representative for a unit of Waterville employees composed as follows:

All water/wastewater, park, street, and clerical employees of the City of Waterville, Minnesota, who are public employees within the meaning of Minn. Stat. 179A.03, Subd. 14, excluding supervisory, confidential and all other employees as identified by the Bureau of Mediation Services, Certification Unit Determination dated January 18, 1994.

2.2 The City will not enter into any agreement with the employees covered by this Agreement, either individually or collectively, which in any way conflicts with the terms and conditions of this Agreement.

ARTICLE III. DEFINITIONS

3.2 The terms used in this Agreement shall be defined as follows:

3.11 **Base Pay Rate:** The employee's basic hourly or monthly pay rate exclusive of overtime premium, shift premium, longevity, or any other special allowances.

3.12 **Continuous Service:** Unceasing service from last date of hire, including approved leaves of absence and periods of layoff if return from layoff was upon recall.

- 3.13 **Days:** Unless otherwise indicated, means working days. (Monday through Friday, exclusive of holidays)
- 3.14 **Department:** A division of City of Waterville government.
- 3.15 **Emergency:** A situation of occurrence of a serious nature developing suddenly and unexpectedly and demanding immediate action as determined by the Employer.
- 3.16 **Employee:** A member of the exclusively recognized bargaining unit defined in Agreement.
- 3.17 **Employer:** The City of Waterville, Minnesota, and its designated representatives.
- 3.18 **Full Month of Service:** One (1) calendar month of continuous service.
- 3.19 **Layoff:** Separation from service with the Employer, necessitated by lack of work, lack of funds or other reasons without reference to incompetence, misconduct, or other behavioral considerations.
- 3.20 **Leaves of Absence:** An approved absence from work duty during a scheduled work period with or without compensation.
- 3.21 **Probationary Employee:** An employee who has not completed the probationary period.
- 3.21 **Probationary Period:** The first six (6) months of service of newly hired or rehired employees.
- 3.23 **Promotion:** A change of an employee from a position in one work classification to a position in another work classification with more responsible duties and higher compensation.
- 3.24 **Pyramiding:** The payment of more than one form of premium compensation for the same hours of work.
- 3.25 **Regular Employee:** A member of the exclusively recognized bargaining unit defined in this Agreement who has completed the required probationary period for newly hired or rehired employees.
- 3.26 **Full-time Employee:** An employee regularly scheduled to work the normal work hours established for the department.
- 3.27 **Seniority:** Length of service established by Article VI.
- 3.28 **Temporary Employee:** An employee hired on a temporary basis, for a period not to exceed six (6) months (except under exceptional circumstances, such period may be extended for up to two (2) additional months upon written notice to the Union and the temporary employee), as designated by the Employer, in a position that has little prospect for continued employment. Such employees shall not earn or receive any benefits under the terms of this Agreement except as otherwise specifically stated herein.

- 3.29 **Transfer:** A change of an employee from one position to another position in the same compensation range, usually involving the performance of similar duties and requiring essentially the same basic qualifications.
- 3.30 **Trial Period:** The first six (6) months of service in a new position of a promoted or transferred employee.
- 3.31 **Union:** Local Union 2439, American Federation of State, County and Municipal Employees, AFL-CIO.
- 3.32 **Union Member:** A member of Council No. 65, American Federation of State, County and Municipal Employees, AFL-CIO.
- 3.33 **Exempt/Non-Exempt Employee:** An employee exempt from the provisions of the Federal Fair Labor Standards Act, whose job duties and responsibilities are primarily professional, managerial and/or executive in nature.

ARTICLE IV. UNION SECURITY

- 4.1 **In recognition of the Union as the exclusive representative, the Employer shall:**
 - 4.11 **Deduct each month an amount sufficient to provide the payment of regular dues established by the Union from the wages of all employees authorizing in writing such deduction in a form agreed upon by the Employer and the Union; and**
 - 4.12 **Deduct fair share fees in accordance with the provisions of Minnesota Stat. 179A.06, Subd. 3 (1992).**
 - 4.13 **Remit monthly such deductions to the appropriate designated officer of the Union with a list of the names of the employees from whose wage deductions were made; and**
 - 4.14 **The Union shall certify to the Employer, in writing, the current amount of regular dues to be withheld.**
- 4.2 **The Union agrees to represent all members of the Unit fairly and without discrimination.**
- 4.3 **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 under the provisions of this Article.**
- 4.4 **The Union may designate certain employees from the bargaining unit to act as stewards and shall certify to the Employer, in writing, of such choice and designation of successors to former stewards. The Union shall also certify to the Employer a complete and current list of its officers and representatives.**
 - 4.41 **The Employer agrees to recognize stewards certified by the Union as provided in this Section, subject to the following stipulations: Stewards and other employee Union officers shall not leave their work stations without the prior permission of their designated supervisors and they shall notify their designated supervisors upon return to their work stations. Permission to leave a work station for Union business will be limited to the investigation and presentation of grievances to the Employer. No steward shall be on paid time to investigate or present a grievance.**

- 4.42 Non-employee representatives of the Union, previously certified to the Employer as provided herein, shall be permitted to come on the premises of the Employer for the purpose of investigating and discussing grievances if they first notify and receive approval from the Employer's Department Head and provided the Union representatives do not interfere with the work of employees. The Union agrees there shall be no solicitation for membership, signing up of members, collection of initiation fees, dues, fines or assessments, meetings or other Union activities on the Employer's time. The Union shall not use the Employer's premises or facilities for Union business without the prior approval of the Employer.
- 4.43 The Employer agrees to allow the Union to use designated bulletin boards for the purpose of posting notices of Union meetings, Union elections, Union election returns, Union appointments to office, and Union recreational or social affairs. The Union agrees to limit the posting of such notices to the bulletin board space designated by the Employer. It is specifically understood that no notices of a political or inflammatory nature shall be posted.

ARTICLE V. EMPLOYER AUTHORITY

- 5.1 It is recognized that, except as expressly stated herein, the Employer shall retain whatever rights and authority are necessary for it to operate and direct the affairs of the Employer in all its various aspects, including, but not limited to, the right to direct the working forces; to plan, direct and control all the operations and services of the Employer; to determine the methods, means, organization and number of personnel by which such operations and services are to be conducted; to assign and transfer employees; to schedule working hours and to assign overtime; to determine whether goods or services should be made or purchased; to hire, promote, suspend, discipline, discharge or relieve employees due to lack of work or other legitimate reasons; to make and enforce rules and regulations; to change or eliminate existing methods, equipment or facilities.
- 5.2 The Employer retains all rights and privileges not specifically addressed or modified by this Agreement.

ARTICLE VI. SENIORITY

- 6.1 Seniority Lists: Upon request of the Union, the Employer shall establish seniority lists as of the effective date of this Agreement structured by each work classification and department to include and rank, in order of highest to lowest seniority, all regular employees in the bargaining units.
- 6.2 Types of Seniority: There shall be four types of seniority established by the Agreement.
- 6.21 Employer Seniority, which shall be the total length of continuous service with the Employer.
- 6.22 Bargaining Unit Seniority, which shall be the total length of service within the bargaining unit.
- 6.23 Department Seniority, which shall be the total length of service within a specific department or division of City service.

- 6.24 **Classification Seniority**, which shall be the total length of service within a work classification.
- 6.3 **Breaks in Seniority**: An employee's seniority shall be broken by voluntary resignation, discharge for just cause, or retirement.
- 6.4 Except in those instances where senior employees are not qualified to perform remaining work, seniority shall determine the order of:
- 6.41 Layoff shall be by classification within a department, in inverse order of classification seniority. However, an employee about to be laid off shall have the right to bump (displace) the employee with the least seniority in a classification, provided that the Employer determines the employee who is exercising bumping rights to be adequately qualified to perform the duties of the classification into which he/she is bumping and he/she has greater unit seniority than the employee who is to be bumped.
- 6.42 Recall from layoff, which shall be by classification within a department, in inverse order of layoff, provided that, if an employee does not return to work upon recall, as directed by the Employer, or an extended date mutually acceptable to the employee or Employer, he/she shall automatically have terminated his/her employment. An employee's name shall be retained on the recall list for eighteen (18) months, at which time all rights to recall shall be terminated.
- 6.43 The Employer shall issue written notice of an indefinite layoff at least ten (10) working days in advance of layoff and will meet and confer with the Union to attempt to minimize the impact of the layoff on unit members. The Employer shall issue written notice of recall from an indefinite layoff to affected employees, providing at least seven (7) calendar days to return to work. An indefinite layoff shall be defined as a layoff made for an indeterminate period at the time of notice or any layoff of forty-five (45) or more days. The Employer may layoff an employee for a definite period of forty-four (44) days or less by giving written notice to the affected employees. Recall notification shall be by registered or certified mail to the employee's last known address for an indefinite layoff and shall be contained in the layoff notice for layoffs for a definite period.
- 6.44 Temporary and probationary employees in the same department and classification shall precede regular employees in layoff. No new employees shall be hired in a work classification within a department where there are employees on layoff status until all laid off employees have been recalled in accordance with the above.
- 6.5 The Employer is committed to hiring the most qualified candidate for City service. When all other qualifications are equal, the Employer shall select the applicant with the greater bargaining unit seniority for the job opening. Positions where incumbents are reclassified shall not be considered vacant or newly created for the purpose of bidding.
- 6.6 For a period of seven (7) calendar days prior to filling such vacant or newly created position, the Employer shall post, in a conspicuous place in the department, notice of all vacant or newly created positions to be filled. Such notices shall state the type of work, the place of work, rate of pay, normal hours to be worked, and the job classification.

ARTICLE VII. GRIEVANCE PROCEDURE

- 7.1 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.
- 7.2 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 representatives shall be allowed a reasonable amount of time without loss of 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 Employer who has determined that such absence is reasonable.
- 7.3 Procedure: Grievances, as defined by Section 7.1, shall be resolved in conformance with the following procedure:
- Step 1: An employee claiming a violation concerning the interpretation or application of a provision of this contract shall, within ten (10) calendar days after such alleged violation has occurred, present such grievance to the Employer designated Step 1 representative. The grievance shall be placed in writing and set forth the nature of the grievance, the facts on which it is based, the provision or provisions of the contract allegedly violated, and the remedy requested. The supervisor shall respond to the grievance within ten (10) calendar days of receipt of the written grievance. The Union may appeal the supervisor's answer to Step 2 within ten (10) calendar days of the answer to Step 1. Any grievance not appealed in writing to Step 2 by the Union within ten (10) calendar days shall be considered waived.
- Step 2: If appealed, the written grievance shall be presented by the Union and discussed with the Employer designated Step 2 representative. The Employer designated representative shall give the Union the Employer's answer in writing within ten (10) calendar days after receipt of such Step 2 grievance. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) calendar days following the Employer designated representative's answer in Step 2. Any grievance not appealed in writing to Step 3 by the Union within ten (10) calendar days shall be considered waived.
- Step 3: Upon mutual agreement of the parties, a grievance shall be submitted to the Bureau of Mediation Services for the purpose of grievance mediation. The mediator has no authority to make a binding decision nor does the use of this step preclude either party from proceeding to arbitration.
- Step 4: A grievance unresolved in Step 3 and appealed to Step 4 shall be submitted to arbitration, subject to the provisions of the Public Employment Labor Relations Act of 1971. The selection of an arbitrator shall be made in accordance with the "Rules Governing the Arbitration of Grievances" as established by the Bureau of Mediation Services.

7.4 Arbitrator's Authority

The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the terms and conditions of this contract. 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 submitted. The arbitrator may not ignore the language of the agreement. 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 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.

7.5 Arbitrator's Fees: 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.

7.6 Waiver. If a grievance is not appealed 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 of each step may be extended by mutual written agreement of the Employer and Union.

7.7 Choice of Remedy. If, as a result of the written Employer response in Step 3, 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 to either Step 4, or a procedure such as Civil Service, Veterans Preference or Human Rights. If appealed to any procedure other than Step 4, the grievance is not subject to the arbitration procedure as provided in Step 4. The aggrieved employee shall indicate, in writing, which procedure is to be utilized, Step 4, or another appeal procedure, and shall sign a statement to the effect that the choice of any other hearing precludes the aggrieved employee from making a subsequent appeal through Step 4.

ARTICLE VIII. NO STRIKE/NO LOCKOUT

8.1 Neither the Union, its officers or agents, nor any of the employees covered by this Agreement will engage in, encourage, sanction, support or suggest any strikes, slow downs, mass absenteeism, sympathy strike, the work or the abstinence in whole or in part of the full, faithful and proper performance of the duties of employment for the purpose of inducing, influencing or coercing a change in the conditions or compensation or the rights, privileges or obligations of employment. In the event that any employee violates this Article, the Union shall immediately notify any such employees in writing to cease and desist from such action and shall instruct them to immediately return to their normal duties. Any or all employees who violate any of the provisions of this Article will be subject to discharge or other discipline.

8.2 The Employer shall not lock out unit employees.

ARTICLE IX. PROBATION AND TRIAL PERIODS

- 9.1 All newly hired or rehired employees shall be probationary and shall serve a six (6) month probationary period.
- 9.2 The Employer, at its sole discretion, may discipline or discharge a probationary employee, such action shall not be subject to the grievance procedure.
- 9.3 All employees promoted or transferred to a new position shall serve a six (6) month trial period.
- 9.4 The Employer may return a trial period employee to a position in his/her former classification and to his/her rate of pay immediately previous to transfer or promotion.
- 9.5 For a period of thirty (30) calendar days, the trial period employee shall have the right to revert to a position in his/her former classification, and to his/her rate of pay immediately previous to transfer or promotion. After the thirty (30) day period, the employee may request such return but the Employer shall be under no obligation to honor the request.
- 9.6 Probationary employees shall earn vacation and sick leave from the date of hire. A probationary employee shall not utilize vacation and sick leave until the employee has successfully completed the probationary period.

ARTICLE X. WORK SCHEDULES - PREMIUM PAY

- 10.1 This Article is intended only to define the normal hours of work and to provide the basis for the calculation of overtime pay and other premium pay. Nothing herein shall be construed as a guarantee of hours of work per day or per week.
- 10.2 **Work Week:** The normal work week shall be forty (40) hours of work, as determined by the Employer, for full-time employees. Normal work days shall be Monday through Friday, except for functions operated on a continuous shift basis or requiring departure from the normal schedule.
- 10.3 **Work Shift:** Work shifts, staffing schedules, and the assignment of employees thereto shall be established by the Employer.
- 10.4 **Work Schedule Changes:** The Employer shall notify employees fourteen (14) calendar days in advance of any permanent changes in their work schedules. Temporary changes in work schedules including, but not limited to, early starts, early quits or send homes shall be at the Employer's discretion. The Employer shall not implement early quits or send homes to avoid payment of overtime.
- 10.5 All employees shall receive a twenty (20) minute rest period during the a.m. and a twenty (20) minute rest period in the p.m. per eight (8) hour shift. Water Wastewater Clerical and Street Maintenance shall receive a one (1) hour unpaid lunch break toward the middle of the work shift at a time which the Employer determines does not interfere with the rendering of services.

- 10.6 Overtime: All hours worked by non-exempt employees in excess of forty (40) hours per week shall be considered overtime. For purposes of computing overtime, the work week shall begin at 12:01 a.m. Monday. All overtime, with the exception of emergency situations, will have the prior approval of the Employer.
- 10.7 Premium Pay: Employees shall be compensated one and one-half times the employee's regular hourly equivalent of base rate for hours worked in excess of forty (40) hours per week, for all previously approved overtime hours. All compensated hours count toward the forty (40) hours in a week for the purpose of computing overtime.
- 10.8 No Pyramiding of Hours: The base pay rate or premium compensation shall not be paid more than once for the same hours worked under any provisions of this Agreement, nor shall there be any pyramiding of premium compensation.
- 10.9 Overtime Rate: All non-exempt employees shall be compensated for all overtime hours worked at the rate of time and one-half (1-1/2) the employee's base pay rate.
- 10.10 Employees called back to work at other than his/her scheduled shift period shall receive a minimum of two (2) hours pay at the appropriate rate. An extension of a shift or an early start to a shift shall not be considered a call back for purposes of this Section.
- 10.11 Water/wastewater employees, and employees substituting for them, shall receive one and one-half (1-1/2) hours of compensatory time on Saturday and on Sunday up to a maximum of three (3) hours of compensatory time per weekend.
- 10.12 Employees may receive overtime compensation in the form of pay or compensatory time off to a maximum of forty (40) hours. All overtime compensation in excess of forty (40) hours shall be paid. Hours remaining in an employee's compensatory time bank on December 31 of each year shall be zeroed and the balance of hours paid.
- 10.13 The parties agree to meet in January 2018 to discuss the likelihood of modifying the hours of for classifications other than Clerical.

ARTICLE XI. HOLIDAYS

- 11.1 Employees shall be entitled to compensated time off for designated holidays, provided the employee is on compensated payroll status the last assigned work day preceding the holiday and the first assigned work day following the holiday.
- 11.2 Designated holidays are as follows:
- 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
 - Veteran's Day November 11
 - Thanksgiving Day Fourth Thursday in November
 - Friday after Thanksgiving Day
 - Christmas Day December 25

- 11.3 Non-exempt employees assigned and required by the Employer to work on a holiday as designated in this Article, shall receive compensatory time off or cash pay, at the discretion of the employee, at one and one-half (1-1/2) times their base pay rate for hours worked, plus holiday compensation at their base pay rate.
- 11.4 When a holiday, as designated in this Article, falls on Sunday, the following day (Monday) shall be considered the holiday for employees, or when such holiday falls on Saturday, the preceding day (Friday) shall be considered the holiday for employees. An employee, regardless of his/her work schedule, shall receive the same number of holidays as an employee whose normal work week is Monday through Friday.
- 11.5 Holidays which occur within an employee's approved and compensated vacation period will not be chargeable to the employee's vacation time.

ARTICLE XII. VACATIONS

- 12.1 All full-time employees shall be eligible for vacation leave benefits at their current base pay rate.
- 12.2 Regular full-time employees shall accrue vacation benefits in accordance with the following schedule, provided that vacation leave shall only accrue when an employee is on compensated payroll status:

<u>Years of Service</u>	<u>Hours Vacation Leave</u>	<u>Accumulated Up To</u>
Start through 6 months	60 hours per year	120 hours
7 months through 2 years	80 hours per year	160 hours
3 through 5 years	110 hours per year	220 hours
6 through 15 years	150 hours per year	300 hours
16 years and over	190 hours per year	380 hours

Employees shall be allowed to carry over vacation from year to year up to their respective maximum accumulation. Employees shall not lose vacation, to the maximum accumulation set forth above, due to the refusal of the Employer to grant the use of vacation because of the needs of the department. The maximum vacation carry over from year to year shall be two (2) times their annual accumulation.

- 12.3 Employees shall not be entitled to receive cash payment in lieu of leave for unused accumulated vacation leave hours except upon mutual agreement of the Employer and the employee. However, upon complete termination of employment, regular employees shall be paid for the unused accumulated vacation leave to their credit. Any vacation severance due to a terminating employee shall be paid at the employee's base rate at the time of termination.
- 12.4 Employees may use accumulated vacation leave benefits as an extension of sick leave, provided all sick leave benefits have been exhausted. Vacation leave benefits utilized as an extension of sick leave shall be subject to the same conditions regulating the use of sick leave.
- 12.5 Vacation cannot be used in less than one (1) hour increments.
- 12.6 Vacation time off shall be approved by the Employer. Vacation time off may be denied if the Employer determines that the needs of the department will not be served if the time off is granted

- 12.7 The vacation leave earned will be converted from anniversary date eligibility to a semi-monthly basis. Vacation will be credited to employee's paycheck at the rate of 1/24 of the schedule adopted in article 12.
- 12.8 Vacation adjustment for vacation earned in 2010. Due to the conversion from a yearly accumulation to a semi-monthly basis, earned vacation for 2010 will be addressed in the following manner: Earned vacation from the employee's anniversary date in 2010 to 12/31/10 will be credited on January 1, 2011 as follows:

<u>Employee</u>	<u>Hours Earned in 2010</u>
Rick Vollbrecht	45 hours
Alan Hiller	97.5 hours
Clinton Peach	12.51 hours
Maria Stoering	25.02 hours

ARTICLE XIII. SICK LEAVE

- 13.1 Sick leave shall be earned by full-time employees at the rate of eight (8) hours for each month of continuous service.
- 13.2 Unused earned sick leave may be accumulated to a maximum of six hundred forty (640) hours.
- 13.3 Sick leave may be authorized on the basis of application therefore, approved by the Employer, for actual disability due to illness, maternity, injury, legal quarantine, dental or medical treatment necessitating the employee's absence. Sick leave usage shall be subject to approval and verification by the Employer, who may require the employee to furnish a report from a recognized medical authority attesting to the necessity of the leave, and other information the Employer deems necessary.
- 13.4 To be eligible for sick leave payment, an employee must notify the Employer prior to the starting time of his/her scheduled shift. This notice may be waived if the Employer determines that the employee could not reasonably be expected to comply with this requirement because of circumstances beyond the control of the employee.
- 13.5 The Employer may require an employee who is absent from duty to undergo a medical evaluation and furnish a report from an appropriate medical authority, at the Employer's expense, that will enable the Employer to determine the employee's fitness for performance of his/her duties. When it is determined that the employee's absence from duty is unnecessary, the Employer may require the employee to either return to work or resign.
- 13.6 Disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom, are, for all job-related purposes, temporary disabilities, and shall be treated as any other illness in connection with employment.
- 13.7 Any employee who by reason of sickness or injury receives Workers Compensation benefits may receive from the Employer additional differential benefit from the employee's accumulated sick leave, vacation leave, or other accumulated paid leave, but the total weekly compensation including leave and Workers Compensation benefits shall not exceed the weekly base rate of an employee.

- 13.8 Regular full-time employees with ten (10) or more years of continuous service shall be granted, upon separation except dismissal for cause or resignation pending charges of misconduct which could have led to disciplinary action or discharge, payment for the employee's unused accumulated sick leave.
- 13.9 In the event of death of a member of an employee's immediate family, an employee shall be allowed the use of up to three (3) days sick leave. For purposes of this Section, immediate family shall be defined as spouse, children, parent, siblings and spouse's parents.
- 13.10 Sick leave shall be utilized in increments of not less than two (2) hours.

ARTICLE XIV. LEAVES OF ABSENCE

- 14.1 General Conditions: To the extent possible, requests for leave shall be made by employees prior to the beginning of the periods of absence, and no payment for any absence shall be made until the leave is properly approved. An employee on an approved leave of absence may cancel the leave and return to work early with the approval of the Employer. The Employer, upon prior notice to the employee, may cancel an approved leave of absence without pay at any time the Employer finds the employee is using the leave for purposes other than those specified at the time of approval.
- 14.2 All requests for leave of absence shall be submitted in writing to the Employer as soon as the need for such leave is known. The request shall state the reason for and anticipated duration of the leave of absence. Such requests, if approved by the department, must be submitted to the City Council for consideration.
- 14.3 The Employer shall continue to pay its share of insurance benefits as provided by Article XVII, for employees on leave of absence with pay. Employees on leave of absence without pay who are eligible to participate in the insurance coverages and who choose to participate while on leave shall be able to do so, but shall pay the full premium costs of such coverages.
- 14.4 Employees on approved paid leaves of absence shall continue to accrue Employer, Department and Classification seniority. Employees on leave without pay shall retain all unused, accrued vacation and sick leave, but shall not accrue additional vacation, sick leave or seniority during their leave and may not utilize such benefits during the period of leave.
- 14.5 Upon return from a leave of absence, the employee shall be reinstated in the position he/she held when the leave began or in a comparable position. An employee returning from leave without pay shall be reinstated at the step of the salary schedule where he/she was when the leave began, with any adjustments added to the schedule during his/her leave. However, unpaid leave time shall not be credited toward the time required for movement from one step to the other on the salary schedule, or toward length of service required to complete a probationary period.
- 14.6.1 Military Duty Leave: In accordance with State and Federal laws, any employee required by official military orders or related authority to attend Military Reserve Training shall receive full wages at his/her current base pay rate for the period of the active duty required for such training, not to exceed fifteen (15) calendar days per calendar year. The employee shall present the Employer with official copies of the order received. The employee shall apply for such leave as

soon as practicable after the necessity for such leave is known.

- 14.7 Jury Duty: Employees shall be granted a leave of absence any time they are required to report for jury duty or jury service. Employees shall be paid the difference between any jury duty compensation they receive and their regular wage for each day of jury duty. At the conclusion of jury duty, employees shall return to work unless other arrangements are made with the Employer.
- 14.8 Leave Without Pay: At the discretion of the Employer, a leave of absence without pay for reasons other than disability, may be granted to an employee requesting such leave in writing.
- 14.81 Parental Leave: Such leave shall be granted according to federal and state law.
- 14.82 Union Business: The Employer agrees to allow the officers and representatives of the bargaining unit reasonable time off and leaves of absence, with prior approval and without pay, for the purpose of conducting Union business when such time will not unduly interfere with the operations of the department.

ARTICLE XV. ABSENCE WITHOUT LEAVE

- 15.1 Any absence of an employee from scheduled duty that is not promptly reported to and authorized by the Employer shall be deemed an absence without leave. Any employee absent without leave will be subject to disciplinary action, and any employee absent without leave for three (3) consecutive days shall be deemed to have resigned his/her employment, provided that the Employer may grant approval for leave subsequent to the unauthorized absence, if the Employer determines the circumstances surrounding the absence warrant such action.

ARTICLE XVI. ALLOWANCES

- 16.1 Automobile Allowance: Employees required by the Employer to use their personal cars while engaged in city work, shall be entitled to reimbursement at the rate established by the City Council.

ARTICLE XVII. INSURANCE

- 17.1 The Employer shall contribute 100% of the single insurance premium per month, toward the cost of employee insurance, and for employees electing dependent coverage, the Employer shall contribute 80% of the premium and the employees shall contribute 20% of the premium for health insurance under the Employer's group health plan for all regular full-time employees.
- 17.2 Employees not choosing dependent coverage cannot be covered at Employer expense for any additional insurance.
- 17.3 The family or dependent coverage deductible will be four thousand dollars (\$4,000.00) per year. The single coverage deductible will be two thousand dollars (\$2,000.00) per year.
- 17.4 In the event an employee or an individual covered via dependent coverage experiences a medical event which requires payment of a deductible greater than the amount accrued in accordance with Article 17.9, the employer shall contribute an amount equal to the required deductible or if required the entire deductible in one lump sum payment. The maximum contribution on behalf of the employer toward the deductible shall be one thousand five hundred eighty dollars

(\$1580.00) for single coverage and three thousand one hundred sixty dollars (\$3,160.00) for dependent coverage.

- 17.5 The Employer will pay three thousand one hundred and sixty dollars (\$3160.00) toward the dependent deductible and one thousand five hundred and eighty dollars (\$1580.00) toward the single deductible.
- 17.6 The aforementioned Employer contributions toward the respective deductibles will be made in twelve (12) equal installments throughout the premium year for the dependent and single deductibles.

ARTICLE XVIII. RIGHT OF SUBCONTRACT

- 18.1 Nothing in this Agreement shall prohibit or restrict the right of the Employer to subcontract work performed by employees covered by this Agreement.
- 18.2 In the event that the Employer determines to contract out or subcontract any work performed by employees covered by this Agreement, and such subcontracting or contracting out shall result in the layoff of current employees of the Employer, the Employer shall notify the Union when such determination is made, but in no case less than fifteen (15) calendar days in advance of the implementation of such determination. During said period, the Employer shall meet and confer with the Union to discuss possible ways and means to minimize the impact on the Union.

ARTICLE XIX. INDIVIDUAL RIGHTS

- 19.1 Employees have the right to join or to refrain from joining the Union. Neither the Employer nor the Union shall discriminate against or interfere with the rights of employees to become or not to become members of the Union, and further, there shall be no discrimination or coercion against any employee because of Union membership or non-membership. The Union shall, in the responsibility of exclusive representative of employees, represent all employees without discrimination, interference, restraint or coercion.

ARTICLE XX. COMPLETE AGREEMENT AND WAIVER OF BARGAINING

- 20.1 This Agreement shall represent the complete Agreement between the Union and Employer.
- 20.2 The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make requests and proposals with respect to any subject matter not removed by law from the area of collective bargaining, and that the complete understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the Employer and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement or with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time

that they negotiated or signed this Agreement, unless they mutually agreed to do so.

ARTICLE XXI. SAVINGS CLAUSE

- 21.1 This Agreement is subject to the laws of the United States, the State of Minnesota, and the City of Waterville. 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 shall continue in full force and effect. The voided provision may be renegotiated at the written request of either party.

ARTICLE XXII. DISCIPLINE AND DISCHARGE

- 22.1 The Employer shall have the right to impose disciplinary actions on employees for just cause.
- 22.2 Employees who are suspended or discharged shall be notified of such action in writing.
- 22.3 Probationary employees may be dismissed at any time, without cause, at the discretion of the Employer. Such action shall not be subject to the grievance procedure.
- 22.4 An employee shall be given a copy of any written entry to his personnel file which is the result of any disciplinary action and shall be allowed to respond thereto. In addition, any employee shall be allowed to review his personnel file and all documents therein at reasonable times and under conditions determined by the Employer.
- 22.5 An employee shall be allowed Union representation at any step of the discipline procedure or any investigation which could lead to disciplinary action. The Employer shall have no obligation to inform or advise an employee of the provision of this Section.

ARTICLE XXIII. CLOTHING ALLOWANCE

- 23.1 Water/wastewater and park, street maintenance employees shall receive a clothing allowance of up to six hundred dollars (\$600.00) per year.

ARTICLE XXIV. SALARY RATES

- 24.1 Employees shall be compensated in accordance with the schedule attached hereto as Appendix A.
- 24.2 Effective with the first payroll period after promotion or reclassification to a higher salary range, an employee shall be paid at the step of the salary range for his/her new classification that reflects a salary increase.

ARTICLE XXV HEALTH CARE SAVINGS PLAN

This article sets forth the provisions of the Employee's Post-Retirement Health Care Savings Plan, authorized by the Minnesota Statute, Section 352.98 and having individual Employee plan accounts administered by Minnesota State Retirement Systems.

All regular full-time employees upon separation of employment with the City who are eligible for sick leave severance in accordance with Article 13.8 of this Agreement shall have their pay out of withheld by the City who will remit the same to the Minnesota State Retirement Systems to be deposited to a Health Care Savings Plan account for the employee.

The management of contributed funds into the Post-Retirement Health Care Savings Plan is the responsibility of the State Boare of Investment and/or the investment option provider selected by the employee. The City's only obligation is to deposit accrued benefits as set forth in Article 13.8. No Employer contribution shall be be made to said plan. The Employer has no other responsibilities or obligations and no other claims shall be made against the City.

The contributions to the Minnesota State Retirement Systems Post-Retirement Health Care Savings Plan will be a tax free benefit to the Employee and will relief the Employer and Employee of FICA contributions with respect to the amounts contributed to the Plan. In the event that the amounts contributed to the fund become taxable, either party may unilaterally terminate the provisions of this Article by notifying the other party in writing.

ARTICLE XXVI. TERM OF AGREEMENT

This Agreement shall be in full force and effect from the date of signature by the parties to June 30, 2019, and shall be automatically renewed each year to year thereafter unless either party shall notify the other in writing by May 1st prior to the anniversary date that it desires to modify or terminate this Agreement.

CITY OF WATERVILLE

AMERICAN FEDERATION OF STATE,
COUNTY & MUNICIPAL EMPLOYEES, AFL-CIO
MINNESOTA COUNCIL 65




Mayor



Bargaining Committee Member

Dated: 12-6-16

Dated: 11/30/16



Council Member

Bargaining Committee Member

Dated: 12-6-16

Dated: _____



AFSCME Staff Representative

Dated: NOVEMBER 18, 2016

APPENDIX A

MARIA STOERING	<u>1/1/17</u> \$18.83	<u>1/1/18</u> \$19.33	<u>1/1/19</u> \$19.83
AL HILLER	\$21.47	\$21.97	\$22.47
KEVIN THELEN	\$17.61	\$18.11	\$18.61

LICENSURE:

The above hourly rates of pay are effective January 1 of each calendar year. Also, each employee shall be paid an additional \$.20 per hour to the aforementioned base pay rates for each licensure currently held or acquired during the term of his/her employment (example, an employee holding a Class D Water, Class C Water and a Class D Waste Water would receive an additional \$.60 per hour).

Water

Class D = \$.20 per hour
Class C = \$.20 per hour
Class B = \$.20 per hour
Class A = \$.20 per hour

Waste Water

Class D = \$.20 per hour
Class C = \$.20 per hour
Class B = \$.20 per hour
Class A = \$.20 per hour

LONGEVITY

Ten Years = \$.40 per hour on base wage
Fifteen Years = \$.80 per hour on base wage
Twenty Years = \$1.20 per hour on base wage
Twenty-Five Years = \$1.60 per hour on base wage