

Article 1
Agreement/Purpose

THIS AGREEMENT entered into this 16th day of December, 2015, between Austin Utilities, hereinafter referred to as the Employer, and the American Federation of State, County and Municipal Employees (AFSCME), Minnesota Council 65, Local 2566, hereinafter referred to as the Union and/or Employee, it being the intent to set forth the results of collective bargaining negotiations between Austin Utilities and the Union. Its purpose is to establish and set forth conditions relating to employment for employees within the bargaining unit and to conform with the Public Employment Labor Relations Act of 1971 for the State of Minnesota, as amended, and to promote harmonious relationships and economy and efficiency of the Austin Utilities.

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

Article 2
Recognition

The Employer recognizes the Union as the exclusive bargaining representative for the purpose of bargaining in respect to rates of pay, salary, hours and other conditions of employment for all employees in the bargaining unit composed of all supervisory employees of Austin Utilities, Austin, Minnesota, who are public employees within the meaning of Minnesota Statute §179A.03, Subd. 14, excluding confidential and all other employees.

Article 3
Representation and Grievance Procedure

- Section 3.1 ***Definition.*** Grievance shall be defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this Agreement.
- Section 3.2 ***Union Representatives.*** The Employer will recognize representatives designated by the Union as the grievance representatives of the bargaining unit having the duties and responsibilities established by this Article. The Union shall notify the Employer in writing of the names of such Union representatives and of their successors when so designated.
- Section 3.3 ***Processing 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 Union Representative shall be allowed a reasonable amount of time without loss in pay when a grievance is investigated and presented to the Employer during normal working hours provided the employee and the Union Representative have notified and received the approval of the designated supervisor who has determined that such absence is reasonable and would not be detrimental to the work programs of the Employer.
- Section 3.4 ***Procedure.*** Grievances, as defined by Section 3.1, shall be resolved in conformance with the following procedure:

- Step 1. An employee claiming a violation concerning the interpretation or application of this Agreement shall, within twenty-one (21) calendar days after such alleged violation has occurred, present such grievance to the employee's supervisor as designated by the Employer. The Employer-designated representative will discuss and give an answer to such Step 1 grievance within ten (10) calendar days after receipt. A grievance not resolved in Step 1 and appealed to Step 2 shall be placed in writing setting forth the nature of the grievance, the facts on which it is based, the provision or provisions of the Agreement allegedly violated, and the remedy requested and shall be appealed to Step 2 within ten (10) calendar days after the Employer-designated representative's final answer in 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 Step 2 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 final Step 2 answer. Any grievance not appealed in writing to Step 3 by the Union within ten (10) calendar days shall be considered waived.
- Step 3. If appealed, the written grievance shall be presented by the Union and discussed with the Employer-designated Step 3 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 3 grievance. A grievance not resolved in Step 3 may be appealed to Step 4 within (10) calendar days following the Employer-designated representative's final answer in Step 3. Any grievance not appealed in writing to Step 4 by the Union within ten (10) calendar days shall be considered waived.
- Step 4. A grievance unresolved in Step 3 and appealed in Step 4 shall be submitted to the Minnesota Bureau of Mediation Services. A grievance not resolved in Step 4 may be appealed to Step 5 within ten (10) calendar days following the Employer's final answer in Step 4. Any grievance not appealed in writing to Step 5 by the Union within ten (10) calendar days shall be considered waived.
- Step 5. A grievance unresolved in Step 4 and appealed in Step 5 shall be submitted to arbitration subject to the provisions of the Public Employment Labor Relations Act of 1971, as amended. The Employer and the Union representative shall endeavor to select a mutually acceptable arbitrator to hear and decide the grievance. If the parties cannot agree on an arbitrator, 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.

Section 3.5 *Arbitrator's Authority.*

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

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

Section 3.6 *Waiver.* If a grievance is not presented within the time limits set forth above, it shall be considered "waived". If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the Employer's last answer. If the Employer does not answer a grievance or an appeal thereof within the specified time limits, the Union may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual agreement of the Employer and the Union.

Section 3.7 *Expenses.* Each party shall bear the expense of preparing and presenting its own case. The arbitrator's fee and expenses shall be shared equally by the parties. If either party desires a verbatim record of the proceedings, it may cause such 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.

Article 4
Seniority

Employer Seniority is an employee's length of service with the Employer.

Article 5
Notice of Vacancies

Notices of vacancies to be filled will be provided to AFSCME Union Representative five work days prior to public notice of vacancy.

Article 6
Leaves of Absence

- Section 6.1 Employees may be granted an unpaid leave of absence for non-medical reasons at the sole discretion of the Employer for a period not to exceed 180 calendar days. Employees may request an extension which may be granted at the sole discretion of the Employer. Employees who do not return from an approved unpaid leave will be considered to have terminated their employment.
- Section 6.2 Employees shall be granted leaves of absence required by law.
- Section 6.3 Employees on approved unpaid leaves of absence of less than thirty days shall accumulate all benefits including seniority. Employees on approved unpaid leaves of absence of more than thirty calendar days shall not be eligible to accumulate benefits under this Agreement except seniority, as defined in Article 4, while on such leave. Employees desiring to retain insurance coverage must pay premiums prior to the due date established by the Employer.
- Section 6.4 Employees called to jury duty shall be paid wages amounting to the difference paid for jury service and the amount they would have earned each day. Employees shall present their jury duty check to the Finance Manager for verification.

Article 7
Funeral Leave

- Section 7.1 Employees shall be permitted to attend the funeral of deceased relatives including: spouse, child, grandchild, parent, brother, sister, step-parent, step-child, step-brother, step-sister and step-grandchild of the employee. Employees shall be permitted to be absent from work when such death occurs and will not be required to return to work until the second day after the funeral without being docked for such absence. A maximum of three (3) working days shall be allowed for deaths of father-in-law, mother-in-law, son-in-law, daughter-in-law, and grandparents of the employee. In the event the funeral is out of town, additional time off with pay will be allowed for travel as approved by the General Manager in advance.
- Section 7.2 Employees designated to be a "pallbearer" will be provided four (4) hours of paid leave to attend funerals for which paid leave is not available under Section 7.1 in the city of Austin and up to a maximum of eight (8) hours to attend funerals outside the city of Austin.

Article 8
Discipline

- Section 8.1 The Employer will discipline for just cause only. Discipline will be in one of the following forms:
- a. oral reprimand;
 - b. written reprimand;
 - c. suspension;
 - d. demotion; or
 - e. discharge.

- Section 8.2 Suspensions, demotions and discharges will be in written form.
- Section 8.3 Written reprimands, notices of suspension, notices of demotion and notices of discharge which are to become part of an employee's personnel file shall be read and acknowledged by signature of the employee.
- Section 8.4 Employees may request, in writing, to examine their own individual personnel files at reasonable times under the direct supervision of the Employer.
- Section 8.5 Employees will not be questioned concerning an investigation of disciplinary action unless the employee has been given an opportunity to have a Union representative present at such questioning.
- Section 8.6 Grievances relating to this Article shall be initiated by the Union at Step 3 of the grievance procedure under Article 3 of this Agreement.
- Section 8.7 Probationary employees (hires new to the organization) may be disciplined or otherwise terminated at any time during their probationary period, and such discipline or termination shall not be subject to appeal or otherwise be grievable under the provisions of this Agreement. The probationary period is a six (6) month period from date of hire.

Article 9
Payday and Salary

- Section 9.1 The Employer will direct deposit payroll into employee's account on Thursday of each week, absent extraordinary circumstances. Payment stubs showing all deductions will be provided for employee.
- Section 9.2 The salary schedule for each calendar year is found in the Salary Table, Appendix A.

Article 10
Travel and Meals

- Section 10.1 Employees specifically authorized by the Employer to use their personal vehicle for the conduct of official Employer business will be reimbursed for mileage at the federal Internal Revenue Service tax free mileage rate.
- Section 10.2 Employees on specifically authorized Employer business or activities shall be reimbursed for travel and meal expenses at rates authorized by the Employer's policy.
- Section 10.3 Employees called to duty outside of their normal work schedule shall be provided with a meal after four (4) consecutive hours on such call out and additional meals thereafter for each four (4) consecutive hours on such call out.

Article 11
General Working Conditions

Section 11.1 Rain gear, consisting of coats, pants and rubber boots, will be furnished by the Employer.

Article 12
Holidays

Section 12.1 Employees shall have the following holidays off with pay:

- a) New Years Day January 1
- b) Washington's Birthday Third Monday in February
- c) Good Friday..... Friday before Easter
- d) Memorial Day Last Monday in May
- e) Independence Day July 4
- f) Labor Day First Monday in September
- g) Veteran's Day November 11
- h) Thanksgiving Day Fourth Thursday in November
- i) Day after Thanksgiving..... Fourth Friday in November
- j) Christmas Day..... December 25

Section 12.2 Columbus Day will become a floating holiday to be taken at a time mutually agreeable to the employee and the employee's supervisor. Employees may carry this floating holiday over from year to year, not to exceed 5 days.

Section 12.3 If a holiday falls on Saturday, the preceding Friday shall be observed as a holiday. If a holiday falls on Sunday, the following Monday shall be observed as a holiday.

Section 12.4 An employee who works on a holiday due to an emergency shall be given equivalent time off.

Article 13
Vacatlons

Section 13.1 All employees shall be entitled to paid vacation according to the following schedule:

- 1) 80 hours of vacation upon completion of one year of employment.***
- 2) 120 hours of vacation upon completion of five years of employment.
- 3) 160 hours of vacation upon completion of ten years of employment.
- 4) 200 hours of vacation upon completion of fifteen years of employment.
- 5) 240 hours of vacation upon completion of twenty years of employment.

***At the discretion of the Employer, employees may be eligible for paid vacation prior to completing one (1) year employment.

Section 13.2 Employees who have qualified for vacation in a particular year and who will presumably qualify for an additional week of vacation for the first time during that year may take their vacation, including such additional week, at any time during the year in which the required service will presumably be completed.

- Section 13.3 Vacation use is subject to the specific approval of an employee's immediate supervisor or other Employer designated official.
- Section 13.4 After January 1st of each year, a vacation notification will be considered on a first come, first served basis if a conflict occurs.
- Section 13.5 Upon termination of employment, the employee shall be paid for all unused accumulated vacation hours at the employee's rate of pay at the time of termination.
- Section 13.6 Vacation leave shall be taken by an employee during the year credited and a maximum of 80 hours may be carried over from year to year except where illness/injury or the Employer's operational needs prevent the employee from using vacation leave time as otherwise required.
- Section 13.7 Holidays as recognized herein shall not be charged against an employee's vacation leave. Employees on vacation may be called in to work for extraordinary situations as determined by the Employer.
- Section 13.8 Upon the death of an employee, any unused vacation time shall be entered to the credit of that employee and paid to such deceased employee's administrator or executor, or, if there is no administrator or executor appointed within thirty (30) days of death, then to the surviving spouse, if any.

Article 14
Sick Leave

- Section 14.1 Sick leave benefits are provided to employees for periods of temporary disability due to illnesses or injuries to the employee or the employee's immediate family as defined herein and as provided by law. Immediate family is defined as spouse, child or parent.
- Section 14.2 Full-time employees accrue sick leave benefits except when the employee is on authorized unpaid leaves of 30 days or more. The accrual of sick leave benefits is calculated at the rate of eight (8) hours per month worked, on vacation or sick leave. If unpaid leaves occur during a month, or a partial month is worked (as with new hires or retirees) a prorated amount of sick leave is accumulated.
- Section 14.3 Upon completion of 90 days service with the Employer, an employee shall be eligible to use sick leave up to the total hours earned.
- Section 14.4 An employee who requests sick leave with intent to defraud or otherwise deceive, establishes a patterned use of sick leave, or who otherwise fails to comply with the sick leave provisions of this Article, shall be denied all sick leave benefits as provided for herein and be subject to disciplinary action up to and including dismissal.
- Section 14.5 All employees of AFSCME, Council 65, Local 2566, are eligible for participation in a Post-Retirement Health Care Savings Plan. Employees hired prior to 1997 of this bargaining unit shall deposit 100 percent, up to a maximum of \$25,000 and employees hired on or after January 1, 1997 shall deposit 100% of unused sick leave upon termination of employment which pay shall be designated as Unused Sick Pay benefits, as hereinafter set forth:

- a) Unused Sick Leave Credits shall be calculated and determined by taking the number of accumulated hours of unused sick leave times the highest hourly rate attained by each employee for each fiscal year or fraction thereof during employee's tenure of employment with Austin Utilities, beginning with employee's date of hire. For the purpose of determining sick leave credits for employees not paid by the hour, the highest hourly base rate for such employees shall be arrived at by taking their highest monthly rate of pay attained in a fiscal year and dividing that sum by 173.3 hours.
- b) A record of the amount of unused sick leave credits that an employee shall be entitled to from time to time in the event of termination of employment shall be set up and maintained for each employee, which record shall show the amount of unused sick pay benefits that each employee is entitled to as of the first day of each fiscal year or the date of the termination of employment, whichever date occurs first, and a statement showing the amount of the sick leave credits that each employee has accrued within thirty (30) days of the aforementioned dates, whenever it is requested by the employee.
- c) As it is used, sick leave shall be charged against accumulated sick leave benefits provided hereunder for the current year and if more than the current year's benefits are needed, it shall be charged against unused sick leave benefits for each preceding year at the same rate it was accumulated until all accumulated sick leave benefits have been exhausted subject to the provisions of Paragraph "d."
- d) In cases where an employee sustains injuries or illness arising out of and in the course of employee's employment and where said employee is paid Workers' Compensation under the Minnesota Workers' Compensation Act, no sick leave credits shall be charged against said employee's accumulated unused sick leave credits for a period not exceeding six (6) months from the date of the injury or illness. In such cases, the Employer shall pay the difference between the amount of Workers' Compensation benefits said employee should receive and the amount of said employee's regular rate of pay excluding for the purposes of this provision and the Workman's Compensation benefits said employee should receive and the amount of said employee's regular rate of pay excluding for the purposes of this provision and Workers' Compensation benefits that said employee shall receive for hospitalization and medical expenses. In the event said injury or illness continues beyond six (6) months, then accumulated sick leave credits shall be paid and charged in accordance with Paragraph "c."
- e) The Employer shall deposit with the City Treasurer sums of money representing each employee's accumulated sick pay benefits so that the total of such sums shall be equal to at least 80% of the combined total amount of sick pay benefits that the employees would be entitled to as of January 1 of the fiscal year as shown by the records required to be kept under Paragraph "c" and at all times thereafter.
- f) The amount of sick leave benefits that an employee shall be entitled to upon termination of employment shall be paid within thirty (30) days, absent extraordinary circumstances, to said employee or employee's estate except as hereinafter stated in Paragraph "g."
- g) In all cases where employment is terminated as a result of disciplinary action for just cause, no sick leave benefits shall be paid.

- h) An authorized representative of the Union may at reasonable times inspect the records and finances relating to accumulated sick leave and accumulated sick leave benefits.

Article 15
Insurance Benefits

Employee Benefits:

Section 15.1 The Employer shall provide to the Employees and their dependents group health insurance coverage with the Employee given the option to select one of two separate plans. The first plan shall have a deductible of \$250.00 per person and \$500.00 per family and the second plan shall have deductible of \$2,600.00 per person and \$5,200.00 per family with a health savings account.

Beginning on January 1, 2017, for those Employees who select the Health Savings Account, the Employer will match the employee's contribution to said Employee's Health Savings Account to the maximum amount of \$1,300.00 for Employees with no dependent coverage (single) and to the maximum amount of \$2,600.00 for Employees with dependent coverage (single plus 1 and family).

The Employer will contribute monthly \$1,150.00 towards the premium costs of an Employee with dependent coverage and Employees with dependent coverage shall pay the remaining balance of such premium costs in excess of the Employer's required monthly contribution.

For those Employees who do not have dependent coverage (single plan), the Employer shall pay the entire premium cost of such health insurance coverage. Notwithstanding the foregoing, in no event shall the Employer's required monthly contribution towards premium costs for such health insurance coverage exceed the actual monthly premium costs for such health insurance coverage.

There will be an enrollment period each year for coverage effective January 1st of the next year. Employees may change plans during this enrollment period with their choice effective January 1st through December 31st. The coverage for the insured Employee and family must be by the same plan each year.

The Employer reserves the right to change from a self-insured health plan to a fully insured health plan(s) from a private insurance company provided the aggregate value of the plan is not changed.

Section 15.2 A \$30,000 term life insurance policy with accidental death and dismemberment riders will be provided with premiums paid by the Employer. Beginning January 1, 2017 term-life insurance with accidental death and dismemberment will increase to \$50,000.

Section 15.3 A long-term disability insurance policy that provides protection in the amount of 65% of earnings not to exceed \$5,000 per month will be provided with premiums paid by the Employer. Beginning January 1, 2017 the "...earnings not to exceed..." will increase to \$6,000 per month.

Section 15.4 Employees on medical leave or disability with five (5) years or more of service will have employer's portion of the insurance premiums carried one month of each year of service. After that time, payment will be the responsibility of the employee. The employer will continue employer's portion of medical insurance premium for any employee with twenty (20) years of service or more until they retire or go on Medicare. Life insurance will continue to be provided by the Employer during periods of disability.

Retiree Benefits:

Section 15.5 For the duration of this contract, any employee who was employed by the Employer on or before December 31, 1997, and who retires with at least twenty (20) years of service with the Employer shall be allowed to continue as a member of the applicable group medical plan as defined in Section 15.1 of this Agreement until employee's death. Such retired employees shall be required to make the same contributions toward health insurance premium cost as required of active employees under Section 15.1. The retiree's spouse may also continue as a member of the group medical plan until the retired employee's death

Section 15.6 For the duration of this contract, any employee hired after January 1, 1998 but before January 1, 2005, and who retires with at least twenty (20) years of service with the Employer shall be allowed to continue as a member of the applicable group medical plan as defined in Section 15.1 of this Agreement until eligible for Medicare. Such retired employees shall be required to make the same contributions toward health insurance premium cost as required of active employees under Section 15.1. A retiree's spouse may also continue as a member of said medical plan until eligible for Medicare. If said retiree and spouse wish to continue as a member of said medical plan after eligible for Medicare, the retiree may receive a Medicare Supplement at the retiree's own cost.

Section 15.7 For the duration of this contract, any employee hired after January 1, 2005, shall be allowed to continue as a member of the applicable group health insurance plan available to current employees with entire premium to be paid by retired employee.

Article 16
Union Security

In recognition of the Union as the exclusive representative, the Employer shall:

Section 16.1 Deduct each payroll period an amount sufficient to provide the payment of dues established by the Union from the wages of all employees authorizing in writing such deduction and remit such deduction to the appropriate designated officer of Minnesota Council #65.

Section 16.2 The Union may designate certain employees from the bargaining unit to act as stewards and shall inform the Employer in writing.

Section 16.3 The Union agrees to indemnify and hold the Employer harmless against any and all claims, suits, orders, or judgments brought or issued against Austin Utilities as a result of any action taken or not taken by Austin Utilities under the provisions of this Article.

Section 16.4 The Employer agrees to deliver official Union notice(s) and announcements to each member of the Union through interoffice mail.

Article 17
Employer Authority

- Section 17.1 The Employer retains the full and unrestricted right to operate and manage all manpower, facilities, and equipment; to establish functions and programs; to set and amend budgets; to determine the utilization of technology; to establish and modify the organizational structure; to select, direct and determine the number of personnel; to establish work schedules; and to perform any inherent managerial function not specifically limited by this Agreement.
- Section 17.2 Any term and condition of employment not specifically established or modified by this Agreement shall remain solely within the discretion of the Employer to modify, establish, or eliminate.

Article 18
Non-Discrimination

Neither the Employer nor the Union will discriminate against any employee on any basis prohibited by law.

Article 19
Health and Safety

- Section 19.1 It is agreed that health and safety and the observance of all laws and Employer rules and regulations pertaining to health and safety are of mutual concern to all of the parties hereto. Therefore, the Employer, the Union and the employees recognize the importance of and will make every reasonable effort to promote and encourage the health and safety of employees.
- Section 19.2 The Employer agrees to provide a safe and healthful workplace and to maintain all tools, equipment and vehicles in safe operating condition.
- Section 19.3 All unsafe working conditions/equipment shall be reported to the Employer immediately upon an employee's becoming aware of the same. Employees shall not be required to perform work or operate equipment in violation of safety laws, or Employer rules and regulations.
- Section 19.4 The Employer will keep the employees informed of all such laws, rules and regulations.
- Section 19.5 The Employer shall provide all safety equipment required by state or federal law.

Article 20
Waiver

Section 20.1 Any and all prior agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment, to the extent inconsistent with the provisions of this Agreement, are hereby superseded.

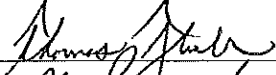
Section 20.2 The parties mutually acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any terms or conditions of employment not removed by law from bargaining. All agreements and understandings arrived at by the parties are set forth in writing in the Agreement for the stipulated duration of this Agreement. The Employer and the Union each voluntarily and unqualifiedly waives the right to meet and negotiate regarding any and all terms and conditions of employment referred to or covered in this Agreement or with respect to any term or condition of employment not specifically referred to or covered by this Agreement, even though such terms and conditions may not have been within the knowledge or contemplation of either or both parties at the time this contract was negotiated or executed.


Article 21
Termination

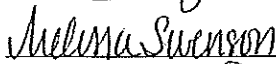
This Agreement shall be effective as of January 1, 2016, and remain in effect until December 31, 2018, and thereafter until a new agreement is reached by the parties hereto.

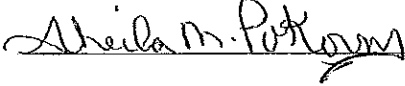
This Agreement may be modified or changed at any time by law and mutual agreement of both parties in writing. If the terms of a successor agreement cannot be agreed to between the parties, either party may petition the director of the Minnesota Bureau of Mediation Services for binding arbitration as provided for under M.S.A. §179A.16.

AFSCME Local 2566

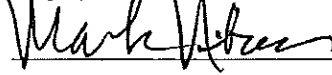








Employer Austin Utilities



Date: 12.22.15

Date: 12.22.15

Appendix A
Annual Salary

The annual base salary agreed to between the Employer and Union for the supervisory positions covered under this Agreement are as follows:

<u>Position</u>	<u>1/1/2016</u>	<u>1/1/2017</u>	<u>1/1/2018</u>
<u>Energy Resources & Utility Operations Director</u>	<u>\$98,101</u>	<u>\$100,554</u>	<u>\$103,068</u>
<u>Electric Distribution Director</u>	<u>\$98,101</u>	<u>\$100,554</u>	<u>\$103,068</u>
<u>Gas & Water Operations Director</u>	<u>\$98,101</u>	<u>\$100,554</u>	<u>\$103,068</u>
<u>Information Systems Manager</u>	<u>\$93,461</u>	<u>\$95,798</u>	<u>\$98,193</u>
<u>Gas & Water Service Supervisor</u>	<u>\$89,089</u>	<u>\$91,316</u>	<u>\$93,599</u>
<u>Gas & Water Construction Supervisor</u>	<u>\$89,089</u>	<u>\$91,316</u>	<u>\$93,599</u>
<u>Engineering Supervisor</u>	<u>\$89,089</u>	<u>\$91,316</u>	<u>\$93,599</u>
<u>Electric Distribution Supervisor</u>	<u>\$89,089</u>	<u>\$91,316</u>	<u>\$93,599</u>
<u>Utility Operations Supervisor</u>	<u>\$89,089</u>	<u>\$91,316</u>	<u>\$93,599</u>
<u>Customer Service Supervisor</u>	<u>\$89,089</u>	<u>\$91,316</u>	<u>\$93,599</u>
<u>Purchasing Supervisor</u>	<u>\$87,573</u>	<u>\$89,762</u>	<u>\$92,006</u>

The salaries as outlined above apply to the individuals holding these positions at this time. In the event an individual now holding the position vacates the position, the replacement supervisor will be placed on the salary schedule set forth hereafter as determined to be appropriate by the Employer.

Salary: New Employees - Promotions - Assignments

All new employees and employees assigned or promoted to a new position will be paid under the following pay plan. The Employer reserves the right when filling a position to place the employee on the salary schedule where Employer deems appropriate. These steps are considered a minimum. Employees may only proceed to the next step upon satisfactory performance as determined by the Employer.

0-12 months of service 75% of wage set forth in Position and Annual Salary Table (Appendix A) for applicable time period.

12-24 months of service 80% of wage set forth in Position and Annual Salary Table (Appendix A) for applicable time period.

25-36 months of service 85% of wage set forth in Position and Annual Salary Table (Appendix A) for applicable time period.

37-48 months of service 90% of wage set forth in Position and Annual Salary (Appendix A) for applicable time period.

49-60 months of service 95% of wage set forth in Position and Annual Salary Table (Appendix A) for applicable time period.

61 months and over of service 100% of wage set forth in Position and Annual Salary Table (Appendix A) for applicable time period.

In the event an employee moves to a different position, either laterally or as a promotion, such employee will be placed on a step that is equal to or greater than pay received prior to the change in position or promotion. If an employee is reassigned to another position, the Employer shall place him on the salary schedule for that position as deemed appropriate by the Employer.