

AGREEMENT

between

ARROWHEAD TRANSIT

(operated by the Arrowhead Economic Opportunity Agency)

and

MINNESOTA COUNCIL, #65

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

LOCAL UNION NO. 3594

JANUARY 1, 2018 – DECEMBER 31, 2020

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ARTICLE I
RECOGNITION

Section 1. Arrowhead Transit (operated by Arrowhead Economic Opportunity Agency), Virginia, Minnesota, hereby recognizes Local No. 3594, American Federation of State, County and Municipal Employees, Minnesota Council 65, AFL-CIO, as the exclusive representative for collective bargaining purposes of all employees of Arrowhead Transit, excluding supervisory and confidential employees (BMS Case No. 89-R-2155)

Section 2. 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 of this Agreement. The Union agrees that the Union and the employees covered by this Agreement will not condone, conduct or carry on any Union activities on company time or engage any other employees in such Union activities while such employees are on company time.

ARTICLE II
INTENT AND PURPOSE

This Agreement has as its intent and purpose the promotion of harmonious cooperation, understanding, and mutual respect between the Employer and the Union, to provide for the peaceful and equitable adjustment of grievances and differences, and to provide the establishment of wages, hours, and terms and conditions of employment.

Further, the parties recognize their duty and responsibility to provide the best possible and most dependable transportation service to the community.

ARTICLE III
AGREEMENT

This Agreement is entered into between Arrowhead Transit (operated by Arrowhead Economic Opportunity Agency), Virginia, Minnesota, hereinafter referred to as the "Employer", and the American Federation of State, County and Municipal Employees, AFL-CIO, Local Union No. 3594, Minnesota Council No. 65, hereinafter referred to as the "Union." As used in this Agreement, the terms "All Employees" or "Employees" means all employees in the bargaining unit, as described in Appendix A. If additional classifications are added to the bargaining unit, or if positions or classifications are split or combined, the parties agree to negotiate the terms and conditions of employment for said classifications.

ARTICLE IV
EFFECT OF LAW

The Employer and the Union recognize all provisions of this Agreement are subject to the laws of the State of Minnesota, Federal laws, and orders of State and Federal governmental agencies. Any provision of this Agreement found to be in violation of any such laws, rules, regulations, directives or orders shall be null and void and without force and effect; however, such a provision shall not negate any other provision(s) of this Agreement.

ARTICLE V
MANAGEMENT RIGHTS

Section 1. Except as otherwise expressly limited by a specific provision of this Agreement, the Employer retains all rights to fully control any matters concerning the management and conduct of its business. Such rights include:

(a) Determine layout and equipment to be used in the business, and determine the processes, techniques, methods, and means of providing services.

(b) Maintain discipline and control the use of its real and personal property, and determine all safety and health measures.

(c) Determine the numbers, types, and locations of its operations, including their scope and extent.

(d) Institute, administer, modify, change, and/or cancel its drug and alcohol testing policy and perform a drug and/or alcohol test on all employees consistent with its drug and alcohol testing policy.

(e) Determine and enforce reasonable rules and regulations, make changes to such rules and regulations, and enforce such rules and changes.

(f) Determine services to be offered, and plan, direct and control all operations.

(g) Relocate or close facilities, departments or divisions for whatever reason, including for the sole reason to reduce labor costs, with the understanding that the Employer will negotiate with the Union concerning the effects of any decisions made under this subsection, if such a request is made.

(h) Discontinue or transfer, assign or subcontract all or any part of its business operations to any outside person, firm, or corporation whatsoever, selected by the Employer.

(i) Introduce or modify new services, techniques, methods, processes, machines, jobs or classifications (including the right to change or modify job descriptions), and/or change, delete or combine existing services, techniques, methods, processes, jobs or classifications.

(j) Determine (i) the size of the workforce; (ii) the allocation and assignment of work or workers; (iii) the quality and quantity of work to be performed; (iv) the policies affecting the selection and training of employees; (v) the right to hire, recall, transfer, promote and lay off employees; (vi) and the right to suspend or discharge employees, (vii) the right to cross-train employees.

(k) Schedule operations, including the right to modify, change, lengthen or shorten work schedules, and close any facility for any reason provided that any notice

Section 3. Except for probationary employees, the employee and the Union shall have the right to appeal discipline, a suspension or termination of an employee through and in accordance with the grievance procedure of this Agreement.

Section 4. An employee may examine his own personnel file upon request.

Permission must be secured from his immediate supervisor if this would occur during work time.

Section 5. When the Employer has reason to reprimand an employee, every reasonable effort will be made to reprimand the employee in a manner that will not embarrass the employee in front of other employees or in public. When any disciplinary action more severe than an oral reprimand is intended, the Employer shall, before or at the time such action is taken, notify the employee and the Union, in writing, of the action taken.

Section 6. An employee's personnel file will be maintained on an on-going basis. Only agency letters of reprimand within the current three (3) years may be used for further disciplinary reasons. State and Federal violations will be maintained and used as long as the law requires.

ARTICLE XVI **GRIEVANCE PROCEDURE**

Section 1. A grievance shall be defined as a dispute or disagreement as to the application or interpretation of any provisions of this Agreement.

Any issue must first be brought to the attention of the employee's immediate supervisor before the formal grievance procedure may begin. If the matter is not resolved after speaking to the immediate supervisor, the matter must be taken to the Assistant Transit Director or designee before the formal grievance procedure begins. If the matter cannot be resolved by informal discussion, it shall be settled in accordance with the following procedure:

Step 1: The Union officer or steward shall present the grievance in writing to the supervisor involved within the time limits outlined in Section 3 below. An answer to the grievance will be given in writing within ten (10) working days after presentation.

Step 2: The Union may appeal the disposition of a Step 1 grievance to the Assistant Transit Director or designee. Such an appeal must be made within ten (10) working days of receipt of the Step 1 answer. The appeal shall be in writing and shall list the points of difference between the two parties. The Employer shall answer the appeal within ten (10) working days of receipt of the appeal. This period shall be extended to twenty (20) working days if the Assistant Transit Director holds a meeting with the Union in an attempt to resolve the grievance. The answer shall be in writing and will either uphold or deny the grievance.

Step 3: The Union may appeal the disposition of a Step 2 grievance to the Transit Director. Such an appeal shall be made in writing within ten (10) working days of the receipt of the Step 2 answer. The Transit Director may set a special meeting within

twenty (20) working days to hear testimony from both parties on the aggrieved matter. The Director shall answer the appeal, in writing, stating the Employer's decision on the matter and the reasons therefore within ten (10) working days of the special meeting or, if no special meeting is held, within twenty (20) working days of receipt of the grievance.

Step 4: Upon completion of Step 3 and prior to requesting arbitration, the Union and Employer by mutual consent may request mediation of the grievance by the Bureau of Mediation Services. Such request must be made in writing within the ten (10) working days following the decision in Step 3 of the Grievance Procedure.

(30) Step 5: Either party may appeal the disposition of the Step 3 grievance to an arbitrator. The requesting party shall notify the other party of a request for arbitration in writing within twenty-one (21) days of the answer to the Step 3 grievance. A single arbitrator shall be used, and his decision shall be binding on both parties. The arbitrator shall be selected from a list of five (5) names of American Arbitration Association prospective arbitrators supplied by the Bureau of Mediation Services, State of Minnesota. Either party may request a completely new list of names a maximum of two times before striking names. The two parties shall alternately strike names from the list until a single name is left. The grieving party shall strike first. This person shall be the arbitrator. The expenses of the single arbitrator shall be borne equally by both parties. Each party shall pay its own arbitration expenses, including the cost of preparing for the arbitration and the expense of any witnesses at the arbitration hearing. Once scheduled, each side may only reschedule the arbitration once without mutual consent (to a mutually available date within 3 months of the originally scheduled arbitration date, subject to arbitrator availability), except in extraordinary circumstances.

Section 2. A grievance must be presented within ten (10) working days of the incident giving rise to the grievance or within ten (10) working days of when the employee knew or should have known about the incident, if later. If a grievance is not presented within this time limit, it shall be considered waived. If a grievance is not appealed to the next step within the specific time limit, or an agreed extension thereof, it shall be considered settled on the basis of the Employer's last answer.

Section 3. The Field Staff Representative of Council 65 shall be allowed to participate in all levels of the grievance procedure beginning at the Step 1 level, but shall notify the Transit Director of the employee's involvement prior to any meetings or conversations with any management representatives.

Section 4. Nothing contained in this Article shall prevent any employee from holding informal discussions with management concerning matters of interest to Employer

Section 5. All grievances must be signed by the grievant(s). However, if a grievance is defined as a "class action" it must be signed either by a grievant, Union officer, or the Union representative currently assigned to the bargaining unit. A class action grievance must follow the grievance procedure with the exception that class action grievances must initiate at Step 2.

Section 6. Election of Remedies and Waiver. Should an employee or the Union institute any action, proceeding, petition or complaint in federal or state court, or with any federal or state agency, or other administrative tribunal, the subject matter of which may be grievable pursuant to this collective bargaining agreement, the employee and/or Union shall immediately waive any and all rights to pursue a grievance under this Agreement and any right to a hearing, regardless of the outcome of the other proceeding.

**ARTICLE XVII
PAID LEAVE**

Section 1. Time off with pay was previously accrued for vacation and sick leave. This time will now become available as paid leave (P.L.). This time may be used at the employee's option for time off for personal reasons in accordance with the procedures set forth in this Agreement. The purpose of P.L. is to provide the employee with greater flexibility in using time off while assuring the Employer that most absences will be planned in advance and for adequate coverage to be arranged. This is not intended to change any of the existing policies and procedures regarding notification, approval or scheduling except as noted.

Employees who are ill and unable to work must notify their supervisor as soon as possible in advance of the absence from work, at least one hour before the next scheduled shift, in order that a replacement can be notified or other arrangements made. Paid leave must be taken when eligible. This is considered "Short Notice Leave" and described further in Section 9.

Section 2. All employees will receive paid leave in accordance with the following table: The rate of accumulation per 80 hours of paid work will apply to part-time employees and to full-time employees working less than 1560 hours during the prior calendar year.

Effective July 1, 1999, all employees will receive paid leave in accordance with the following table:

| <u>Length of Service</u> | <u>Rate of Accumulation Per 80 Hours of Paid work</u> | <u>Maximum Hours Accumulated Per Year</u> |
|--------------------------|---|---|
| 0 hrs to 4,159 | 3.50 | 78.00 |
| 4,160 hrs to 16,639 hrs | 5.00 | 117.00 |
| 16,640 hrs to 31,199 hrs | 6.00 | 156.00 |
| 31,200 hours+ | 7.50 | 195.00 |

Employees must complete their six months probationary period to be eligible to receive any paid leave except as described in Article X, Section 4.

Length of service shall be based on all paid time received. No employee shall receive less paid leave because of this change. In the event that an employee would fall into a lower paid leave schedule, it is agreed by the parties that the employees paid leave shall be frozen until such time that their length of service and the paid leave schedule call for an adjustment.

Section 3. Due to the nature of Arrowhead Transit, employees are required to submit paid leave requests of five (5) or more days at least thirty (30) days in advance. If the employee

holiday to be eligible for holiday pay. Effective upon the signing of the contract, any paid time off shall count as time worked before or after a holiday, providing short notice leave incidents do not disqualify an employee.

Section 4. When an employee is required to work on a holiday, except Good Friday, the Friday after Thanksgiving, or Christmas Eve Day, the employee shall receive holiday pay plus time and one-half (1½) for all hours actually worked.

In addition, while Easter Sunday is not a recognized Holiday under this Agreement, if an employee is required to work on Easter Sunday, the employee shall receive time and one-half (1-1/2) for all hours actually worked on Easter Sunday.

Section 5. Should an employee be on scheduled PTO when a holiday or holidays occur, the employee shall be able to extend PTO, or be credited PTO for all such days. Employees receiving payments for worker's compensation, a short term disability, or on an approved unpaid leave of absence are not entitled to holiday pay.

Section 6. An employee must notify the Employer at least five (5) working days in advance of the day the employee would like to take as a personal holiday. Every reasonable effort will be made to schedule the employee off on the employee's desired personal holiday.

ARTICLE XIX **INSURANCE BENEFITS AND ANNUITIES**

Section 1. Dental and Medical Benefits. The AEOA will carry dental and medical insurance for all full-time employees. AEOA will pay the same Medical and Dental Insurance benefits. Percentage of premium will be the same as all other AEOA employees in the pool. Medical and dental coverage takes effect after a full-time employee has completed four (4) complete and consecutive payroll periods with the AEOA.

Section 2. Life Insurance. Arrowhead Transit will provide to its full time employees group term life insurance and accidental death and dismemberment insurance on an amount equal to the employee's basic annual earnings excluding bonuses and overtime pay. (Adjusted to the next higher multiple of \$1,000 if not already a multiple thereof) Arrowhead Transit will pay the full premium for the life insurance coverage. Coverage for full time employee begins after four (4) full consecutive payroll periods following appointment to a full time position.

Effective July 1, 1998, part-time employees, who have worked a minimum of 4,160 hours, shall receive group term life insurance and accidental death and dismemberment insurance. Premiums for said coverage shall be paid by the Employer.

Section 3. Weekly Income Accident and Sickness Insurance. Arrowhead Transit will provide to its full time employees weekly income accident and sickness insurance benefits. The amount of the weekly payment is 66-2/3% of the employee's basic weekly earnings, based on a 40 hour work week, to a maximum payment of \$750.00 per week. Coverage for a full time employee begins after four full consecutive pay periods from the date of appointment as a full time employee.

Section 4. The most senior drivers shall have the option to turn down special contract runs if the run starts outside of normal operating hours and suffer no penalty, and further shall maintain their normal hours of work.

Section 5. All employees who are scheduled and report to work but are sent home because of a cancelled run shall receive one (1) hour pay for reporting to work as scheduled. In the event the client pays for the cancelled run; the employee shall receive two (2) hours pay for reporting to work as scheduled.

Section 6. All employees who are called to work and report for duty when they are not scheduled to work shall be granted one (1) hour of work or one (1) hour of pay minimum.

Section 7. For required out-of-town physicals, the Employer agrees to pay the affected employee. If possible, the agency shall provide transportation for employees required to take physicals. Should employees be able to car pool, the person driving shall be paid the appropriate mileage rate.

Section 8. Any driver who is required to report to another location for duty other than their base location shall be paid for all hours of travel to and from said location as well as all hours worked at the other location. All employees shall be furnished with company transportation or mileage to report to the locations.

Section 9. All time worked within the normal two-week pay period will be paid to the nearest 1/10th of an hour as per the Time to Pay Conversion chart.

ARTICLE XXIX OVERTIME

Section 1. Overtime will be permitted only with the advance approval from the employee's immediate supervisor. Working unapproved overtime will subject an employee to discipline up to and including termination of employment. Overtime will be paid at the rate of one and one-half times the employees regular hourly rate for all hours worked more than forty (40) hours in any work week.

Section 2. Employees may periodically be required overtime work. If the Employer requires employees to work overtime, they will give the employee as much notice as possible. If the Overtime must be offered on short notice (less than 24 hours), it will be offered by seniority to employees on the same shift trained in the work area or route. Overtime shall be offered in seniority order. If there are not enough volunteers for required overtime, it will be assigned to employees in reverse seniority order.

Section 3. If an employee has scheduled PTO during a week and has already worked enough hours prior to the scheduled PTO such that the PTO time (if added to actual hours worked) would total more than 40 hours in a week, the employee will be allowed to be absent from work without losing PTO.

