

# **LABOR AGREEMENT**

Between

THE CITY OF MOUNTAIN IRON, MINNESOTA

And

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

LOCAL UNION NO. 453

MAY 1, 2015 – APRIL 30, 2018

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ARTICLE I  
RECOGNITION

Section A.

The City Council of the City of Mountain Iron recognizes Local Union No. 453, Minnesota Council 65, American Federation of State, County and Municipal Employees, AFL-CIO, as the exclusive representative for collective bargaining purposes for all employees of the City of Mountain Iron, Minnesota, excluding elected officials and officials appointed by the City Council to serve on commissions or boards, the City Administrator, Assistant City Administrator, Zoning Administrator, Director of Public Works, Assistant Director of Public Works, Parks and Recreation Director, Building Inspector, Assessor, Foreman and Library Director/Events Coordinator. No discrimination shall be exercised against any employee because of Union membership or because of race, creed, sex, color, age, marital status, national origin, religious or political belief, familial status, disability, sexual orientation, public assistance and local human rights commission activity as it now states in Minnesota's Human Rights Act.

Section B.

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

ARTICLE II  
CHECKOFF OF UNION DUES

Section A.

The City Council agrees to deduct from the salary of each employee who has signed an authorized payroll deduction card a sum certified by the Secretary of Local 453, which are Union dues or initiation fees of the Union, such deductions to be made from each payroll period, and transmitted to the Financial Secretary of AFSCME Local 453, the total amount so deducted, together with a list of the names of the employees from whose pay deductions were made. Any employee may terminate his/her payroll deductions by written notice delivered to the City Administrator, who shall forthwith transmit a copy of such termination to the Financial Secretary of AFSCME Local 453.

Section B.

All public employees who are not members of the exclusive representative may be required by said representative to contribute a fair share fee for services rendered by the exclusive representative in an amount equal to the regular membership dues of the exclusive representative, less the cost of benefits financed through the dues and available only to members of the exclusive representative, but in no event shall the fee exceed 85 percent of the regular membership dues. The exclusive representative shall provide advance written notice of the amount of the fair share fee assessment to the employer and to a list furnished by the employer, of all employees within the unit. A challenge by an employee or by a person aggrieved by the assessment shall be filed in writing with the Commissioner of the Bureau of Mediation-Services, the public employer and the exclusive representative within 30 days after receipt of the written notice. All challenges shall specify those portions of the assessment challenged and the reasons therefore, but the burden of proof relating to the amount of the fair share fee shall be on the exclusive representative. The employer shall deduct the fee from the earnings of the employee

and transmit the fee to the exclusive representative 30 days after the written notice was provided or, in the event of a challenge, the deductions for a fair share fee shall be held in escrow by the employer pending a decision by the Commissioner of the Bureau of Mediation Services pursuant to Section 3 of the Public Employees Labor Relation Act this Act.

Section C.

The Union agrees to indemnify the City of Mountain Iron harmless against any and all claims, suits, orders or judgments, brought or issued against the City as a result of any action taken or not taken by the City of Mountain Iron for the purpose of complying with the check off provision of this Agreement or the reliance upon any list, notice or assignment furnished under any such provision.

Section D. No Discrimination or Coercion.

The provisions of this Agreement shall be applied equally to all employees of the Bargaining Unit without discrimination as to age, sex, marital status, race, color, creed, national origin, religious belief or political affiliation familial status, disability, sexual orientation, public assistance and local human rights commission activity as it now states Minnesota's Human Rights Act. The Union shall share equally with the Employer the responsibility for applying this provision of the Agreement.

All references to employees in this Agreement designate both sexes, and wherever the male gender is used, it shall be construed to include male and female employees.

ARTICLE III  
HOURS OF WORK

Section A.

The normal hours of work for all employees under the jurisdiction of this Agreement shall be eight hours per day and forty hours per week. All hours worked in excess of eight hours per day or forty hours per week shall be compensated at time and one-half (1-1/2) rates, and under no circumstances shall there be any pyramiding of overtime.

All employees shall be subject to after-hours callback and shall receive the minimum of three (3) hours pay for each callback at time and one-half (1-1/2) rates. The employees shall be allowed to take compensatory time off in lieu of overtime at a time and one-half (1-1/2) rate, and the time off will be by mutual agreement of the City and the employee.

Employees who intend to use comp time shall make such request to the employee's supervisor at least one-half (1/2) hour prior to the requested time off. Employees are required to report to work at the beginning of their regularly scheduled shift, unless written authorization to use comp time was granted during the previous workday.

Section B.

When an employee is temporarily transferred to a higher classification, he shall receive the higher rate of pay while working in that classification. When an employee is temporarily assigned to a lower classification, he shall continue to receive his regular pay rate. All employees shall complete and turn in to their supervisor a daily time card.

Section C.

For purposes of scheduling employees of any department, a basic work week shall consist of seven consecutive days, commencing at 12:01 a.m. on Monday and ending at midnight the following Sunday.

Section D.

Employees who absent themselves from work because of illness shall notify their supervisor at least one-half (1/2) hour before the start of their shift. Failure to comply will make an employee subject to disciplinary action.

Section E.

Overtime meals, to a limit of \$10.00 for each meal, shall be provided by the Employer if employees are required to work beyond the end of or prior to the start of their regular shift, and said time is over a normal meal period. Employees who meet the above criteria and have proper authorization shall have \$10.00 automatically added to their paycheck for each meal that they are entitled to reimbursement.

Section F.

Each employee shall be allowed a 15 minute break during both the first half and second half of each shift, and shall be allowed a thirty minute lunch break without pay.

Section G.

Scheduled employees or their designated substitute will be paid \$5.00 per hour for each hour that they are required to carry a pager. Call time will be paid only during the hours the employee is not already being paid for at an hourly wage. Paid time and call time will not overlap. For the purpose of pager pay on a holiday, the pager pay shall be in addition to holiday pay.

Section H.

On Call Protocol:

- 1) Employee must be readily available for work while on call.
- 2) Employee will maintain a list of action items while on call (forms to be developed)
- 3) Employee will physically respond to all calls that require such a response within a reasonable response time (reasonable response shall be defined as 15 to 25 minutes)
- 4) Employees failing to comply with this protocol may be subject to discipline.

**ARTICLE IV  
HOLIDAYS**

Section A.

All regular employees shall receive the following paid holidays, provided they work their last scheduled day of work before and their first scheduled day of work after the holiday:

New Year's Day	Martin Luther King Day	Presidents Day
Good Friday	Memorial Day	Fourth of July
Labor Day	Veterans Day	Thanksgiving Day
Day after Thanksgiving	Christmas Day	

Employees shall be granted one-half day off the day before Christmas and one-half day off the day before New Year's without the loss of pay. Should an employee be required to work such one-half days, Section B below shall apply for all such hours worked.

Section B.

All regular employees who are required to work on any of the above-mentioned holidays shall be compensated for those hours worked at time and one-half (1-1/2) rates, plus the regular eight hours of straight time rate.

Section C.

When a paid holiday falls during an employee's scheduled day off or during his vacation period, he shall receive an additional day's pay.

Section D.

When a nationally observed holiday falls on a Saturday, the City will observe the previous Friday. When a nationally observed holiday falls on a Sunday, the City will observe the following Monday. In all cases when employees are required to work on the day of observance, Section B above shall apply.

ARTICLE V  
VACATIONS

Section A.

All full-time employees shall receive annual paid vacation in accordance with the following schedule:

<u>Weeks of Vacation</u>		<u>Years of Continuous Service</u>
One	after	One
Two		Two
Three		Five
Four		Ten
Five		Fifteen
Six		Twenty
Seven*		Twenty-five

\*Anyone hired after 1/1/10 is not eligible for the seventh week of vacation.

Regular employees working less than full-time shall receive vacation benefits on a pro rata basis. In determining the length of continuous service, no deduction shall be made for sickness or military service. There shall be no accumulating of vacation credit during leave of absence.

Section B.

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

Section C.

Upon termination of employment for any cause, employees shall be paid for any accumulated vacation credit. Accumulated vacation shall mean vacation earned by such employee according to years of service times that portion of the year worked at the time of the termination of the employee. However, for those employees who voluntarily resign, a two week notice of intention to resign is required in order to receive terminal vacation pay. Vacation time cannot be used as notice time.

Section D.

Vacation time shall not accumulate from one year to another, unless other arrangements are mutually agreed upon by the employee, the City Administrator, and employee's supervisor. The vacation benefits of this Agreement are not to be effected by anyone exercising their rights under the Family Medical Leave Act (FMLA).

Section E.

The Supervisor shall clear any vacation requests with the City Administrator thirty days prior to granting vacations unless an emergency occurs, in which case the thirty days may be waived by the Supervisor.

**ARTICLE VI**  
**SICK LEAVE**

Section A.

All regular employees shall earn sick leave at the rate of one and one-fourth (1-1/4) working days for each month of service, accumulative to ninety (90) working days. Employees working half time or more, but less than full time, shall receive sick leave benefits on a pro rata basis. In addition, The Employer will provide additional contributions to any and all eligible employee's 457 accounts under the following stipulations:

- a) For any full-time employee of the bargaining unit who does not use any sick leave in a calendar year, an additional amount equal to six (6) days' pay into the 457 plan
- b) For any full-time employee who does not use more than one (1) sick day in a calendar year an additional amount equal to five (5) days' pay in to the 457 plan
- c) For any full-time employee who does not use more than two- (2) sick days in a calendar year, an additional amount equal to four (4) days' pay into the 457 plan
- d) For any full-time employee who does not use more than three (3) days of sick leave in a calendar year, an additional amount equal to three (3) days' pay into the 457 plan.

Payment shall be based on the employee's base hourly rate plus longevity.

Section B.

A doctor's certificate shall be required for sick leave absences of more than two days duration.

Section C.

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

Section D.

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

Section E.

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

Section F.

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

Section G.

Four (4) personal business days shall be allowed to each employee annually and shall not be deducted from the accumulated sick leave of that employee. Employee must have approval for use 5 days in advance.

Section H.

Employees who have reached the maximum accumulation of ninety (90) days sick leave shall receive one (1) additional day of vacation each year.

Section I.

An employee may use personal sick leave benefits provided by the Employer for absences due to an illness of the employee's child for such reasonable periods as the employee's attendance with the child may be necessary, on the same terms the employee is able to use sick leave benefits for the employee's own illness. In addition, five (5) days of sick leave per year may be used for illness in the immediate family of the employee, if the employee's attendance is required. The sick leave provisions of this Agreement are not to be effected by anyone exercising their rights under the Family Medical Leave Act (FMLA).



Section J.

Maternity/Paternity leave for employees shall be according to State and Federal regulations.

Section K.

An employee who retires with a minimum of ten (10) years of service shall receive the following amounts of their accumulated unused sick leave as severance pay:

- With 10 or more years of service - 30% of unused sick leave
- With 20 or more years of service - 40% of unused sick leave
- With 30 or more years of service - 50% of unused sick leave

The balance of the unused sick leave shall be put into the Minnesota State Retirement System Health Care Savings Program, according to Appendix D, Section D of this Agreement.

Section L. Catastrophic Sick Leave Pool.

Employees may voluntarily donate one or more sick leave days to a Sick Leave Pool, whenever the need arises. Each employee shall be limited to donating no more than five sick days per year. These donated days may be used by bargaining unit members for a catastrophic illness or injury when their own sick leave, vacation, personal business days and compensatory time has been exhausted. The intent of the parties is to limit the usage of this Section to cases that are considered life threatening. The Employer and the Union shall mutually agree as to the usage of this Section on a case-by-case basis.

ARTICLE VII  
UNPAID LEAVE OF ABSENCE

Section A.

An unpaid leave of absence for up to six (6) months may be granted by the City Council. If an employee accepts other employment while on such leave, without City Council authorization, they shall be deemed to be a voluntary quit.

ARTICLE VIII  
DEATH IN THE FAMILY

Section A.

A maximum of three days absence without loss of pay shall be allowed an employee in the case of death in the immediate family. Immediate family shall be defined as a brother, sister, children, parents, wife or husband, grandparents, or grandchildren of either the employee or employee's spouse.

Two additional days shall be allowed in the event travel a distance of 250 miles or more is necessary. These two days shall be deducted from the employee's sick leave accumulation.

Section B.

Employee shall receive a maximum of four hours leave without loss of pay if he or she is serving as a pallbearer at any funeral.

**ARTICLE IX**  
**SENIORITY**

**Section A.**

All regular employees, who have been hired by action of the City Council, working for the City of Mountain Iron, Minnesota, as outlined in the bargaining unit of the Recognition Clause (Article 1), shall be covered by this Contract and placed on the seniority list.

**Section B.**

Seniority standing shall be granted to all employees in accordance with the length of continuous service for the City of Mountain Iron. Each new employee shall be placed on the seniority list as of the first day of employment upon the completion of one hundred and eighty (180) calendar days of employment; and during such 180 days of employment, employees may be discharged by the City Council without cause and without the same causing a breach of this Contract or constituting a grievance hereunder. Continuous service shall be determined by the date of the employee's first regular employment by the City or the date of re-employment after a break in continuous service.

**Section C.**

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

**Section D.**

In the event of a layoff, employees shall be laid off according to seniority in the inverse order of hiring. Employees shall be rehired according to seniority in the inverse order of layoffs.

**Section E.**

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

**Section F.**

A temporary vacancy shall be any vacancy or temporary work assignment which results because of the absence of another regular employee and which continues in excess of one work day and which does not result in a break of continuous service of a regular employee as defined in Section B above, and which does not constitute a newly-created position. The City Council, at its discretion, may fill such temporary vacancy with the senior qualified employee within the department. Such employee shall receive the classification or position rate of pay or his own classification or rate of pay, whichever is the greater.

**Section G.**

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

the vacancy or new position, provided he/she has the necessary qualifications to perform the duties of the job involved. A thirty-day trial period shall be given the employee for the purpose of determining his/her qualifications, unless he/she is obviously not qualified. The City Council or other appropriate department head shall make the determination as to whether or not the applicant possesses the necessary qualifications. In the event the Union does not concur in the determination, the applicant shall have the right of appeal through the normal grievance procedure. Newly-created positions or vacancies are to be posted in the following manner: The type of work, the place of work, the rate of pay, the hours to be worked, and the classification.

#### Section H.

Seniority list shall be brought up to date on January 1<sup>st</sup> of each calendar year and posted on employee bulletin boards. A copy of the seniority list shall be sent by mail to the Secretary and the President of the Union. Once posted, employees shall have thirty (30) days to appeal. After the thirty (30) days or appeal, the list shall become official and any future questions related to seniority need only go back as far as the last posting of the seniority list.

### ARTICLE X DISCIPLINE

#### Section A.

Any employee included in the collective bargaining agreement between the AFL-CIO, AFSCME, Local Union 453 entered into in accordance with the Public Employment Relations Act, Minnesota Statutes, Section 179.61 to 179.76, shall be exempt from any provisions of this part which is inconsistent with the Agreement.

#### Section B.

City employees shall be subject to disciplinary action for failing to fulfill their duties and responsibilities, including observance of work rules adopted by the Council, City Administrator and Director of Public Works. It shall be the policy of the City to administer disciplinary penalties without discrimination. Every disciplinary action shall be for just cause and the employee may demand a hearing or use the grievance procedure as outlined in Article XI of the Contract between the City of Mountain Iron and the American Federation of State, County and Municipal Employees, AFL-CIO, Local Union 453, with respect to any disciplinary action which he/she believes is either unjust or disproportionate to the offense committed. The supervisor or department head shall investigate any allegation on which disciplinary action might be based before any disciplinary action is taken.

#### Section C.

Except for severe infractions, disciplinary action against any employee shall be progressive and follow the steps listed below:

- 1) Oral Reprimand
- 2) Written Reprimand. A written reprimand shall state the employee is being warned for misconduct; describe the misconduct; describe past actions taken by the supervisor to correct the problem; urge prompt correction of improvement by the employee; include timetables and goals for improvement, when appropriate; and outline future penalties

should the problem continue. The employee shall be given a copy of the reprimand and he shall sign the original acknowledging that he has received the reprimand. The signature of the employee does not mean that he agrees with the reprimand. The reprimand shall be placed in the City's file on the employee but shall be removed from the file after two years from the date of issuance if there has been no subsequent reprimand and no other disciplinary action has been instituted.

- 3) **Suspension Without Pay.** Prior to the suspension or as soon thereafter as possible, the employee shall be notified in writing of the reason for the suspension; its length; describe the misconduct; describe past actions taken by the supervisor to correct the problem; urge prompt correction or improvement by the employee upon reinstatement; include timetables and goals for improvement, when an appropriate; and outline future penalties should the problem continue after reinstatement.

An employee may be suspended pending investigation of an allegation.

A copy of each written statement shall be placed in the employee's personnel file, but if the suspension is for investigation, and the allegation proved false, the statement shall be removed and the employee shall receive any compensation to which he would have been entitled had the suspension not taken place.

The Council may dismiss any employee after the employee has been given notice in writing stating: the reason for dismissal; the effective date thereof; when appropriate, describe prior misconduct leading to the dismissal and past actions taken by the supervisor to correct the misconduct; the employee's rights under these rules and the veterans preference law if he/she is a veteran; and stating that the employee may respond to the charges both orally and in writing and that he/she may appear personally before the City Council or before the official having an authority to make or recommend the final decision.

#### Section D.

The following are the disciplinary actions that may be taken against any employee after steps 1 and 2 have been followed.

- a) **Involuntary Demotion.** This step shall be taken only if the employee does not have the ability to function at the higher level.
- b) **Forced Transfer to a Comparable Position Under a Different Supervisor.** This step may be taken only if the problem is due to the personal incompatibility between the supervisor and the employee.
- c) **Withholding a Salary Increase or Decreasing the Employee's Salary.** The employee shall be notified in writing of the action and the reasons therefore. A copy of the notice shall be placed in the employee's file.

#### Section E.

In any case of suspension, dismissal, or demotion, the employee shall be granted a hearing before the City Council if the employee submits a written request for such a hearing to

the City Council within five (5) working days of notification of the action taken. The hearing shall be held within ten working days from the date the request is filed unless the City and the employee agree on an earlier or later date. If the disciplinary action involves the removal of a veteran, the hearing shall be held in accordance with the Minnesota Statutes Section 179.46.

Section F.

Each employee shall be furnished with a copy of all disciplinary entries into the personnel office record and shall be entitled to have the employee's written response included therein.

ARTICLE XI  
GRIEVANCE PROCEDURE

Section A.

The Employer agrees to permit the negotiating or grievance committee to appear at all negotiations or pre-arranged grievance meetings with department heads or the Employer in negotiations or disputes without loss of pay. The Union representative shall also have access to the premises of the Employer at reasonable times to investigate grievances and other problems with which they are concerned.

Section B.

A duly authorized grievance committee representing the Union shall be named by the Union, and list of names of members of the committee will be submitted to the Mayor and City Council each year following the Union's annual meeting.

Section C.

Grievance Procedure:

Step 1. An employee or group of employees claiming a dispute or disagreement as to the interpretation or application of a specific provision of this contract shall, within fourteen (14) working days after such alleged violation has occurred, present such grievance to the employee's immediate supervisor. The supervisor will discuss and give an answer to such Step 1 grievance within five (5) working days from the date of the grievance meeting between the parties. In the event the grievance is unresolved, the grievant or the Union shall have seven (7) working days after the supervisor's final answer to submit the grievance to Step 2. Any grievance not appealed in writing to Step 2 by the Union within seven (7) working days shall be considered waived.

Step 2. If appealed, the written grievance shall be presented by the Union and discussed with the City Administrator. The City Administrator shall give the Union the Employee's Step 2 answer in writing within ten (10) working days after receipt of such grievance. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) working days following the City Administrator's final Step 2 answer. Any grievance not appealed in writing to Step 3 by the Union within ten (10) working days shall be considered waived.

Step 3. If appealed, the written grievance shall be presented by the Union and discussed with the City Council. The City Council shall give their response in writing within thirty (30) working days after receipt of such grievance. A grievance not resolved in Step 3 may be appealed to Step 4 within ten (10) working days following the City Council's final Step 3 answer. Any grievance not appealed in writing to Step 4 by the Union within ten (10) working days shall be considered waived.

Step 3A. Prior to going to arbitration, either party to the Agreement may request mediation of the grievance by the Minnesota Bureau of Mediation Services. Such request must be made within ten (10) days following the decision in Step 3. The time limit for requesting arbitration is tolled during mediation and if mediation does not resolve the grievance, arbitration may commence as hereafter provided.

Step 4. A grievance unresolved in Step 3 or Step 3A and appealed to Step 4 shall be submitted to arbitration subject to the provisions of the Public Employment Labor Relations Act, Minnesota Statutes 179A, as amended. A request to submit a grievance to arbitration must be in writing and such request must be submitted to the City Administrator. No grievance shall be considered by the arbitrator which has not been first duly processed in accordance with the grievance procedure and appeal provisions.

- (1) Selection of Arbitrator: Upon the proper submission of a grievance under the terms of this procedure, the parties shall request the Bureau of Mediation Services to send them a list of arbitrators so that the parties can select the arbitrator who will hear and decide the case. Upon receiving the list, the method in the selection shall be by virtue that each of the parties shall eliminate one name until one name remains. The remaining name shall be the arbitrator who shall make his decision regarding the grievance and which shall be binding on the parties. The grieving party shall strike the first name.
- (2) Hearing: The grievance shall be heard by a single arbitrator, and both parties may be represented by such person or persons as they may choose and designate, and the parties shall have the right to a hearing at which time both parties will have the opportunity to submit evidence, offer testimony, and make oral or written arguments relating to the issues before the arbitrator. The proceedings before the arbitrator shall be a hearing denovo.
- (3) Expenses: The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the responsible parties. 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 borne equally.
- (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 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. 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 and regulations having the force and effect of law. The arbitrator's decision shall be submitted in writing within thirty (30) days following 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.

The failure of the Employer to answer at any step in this article shall be deemed a refusal at that step, and the Union is free to request moving to the next step.

## ARTICLE XII TRANSFERS. DEMOTIONS. SUSPENSIONS. DISCHARGES

### Section A. Transfers and Demotions

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

### Section B. Suspensions

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

### Section C. Discharges

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

### Section D. Layoffs

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

### Section E. Mandatory Retirement

Age seventy (70) shall be the mandatory age of retirement for all employees.

**ARTICLE XIII**  
**GENERAL PROVISIONS**

**Section A.**

The City Council agrees to permit the Negotiation or Grievance Committee, at its discretion, to appear at all negotiating or grievance meetings with the City Council in negotiations or disputes without the loss of pay.

**Section B.**

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

**Section C.**

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

**Section D.**

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

**Section E.**

All matters not covered by this Contract shall be settled by negotiations between the City Council and the Union.

**Section F.**

Pay days will be established to be bi-weekly.

**Section G.**

The Administrator shall be responsible for the investigation of all accidents occurring within the City. He shall prepare or assist in the preparation of all reports necessary and incidental to such investigation without additional compensation.

**Section H.**

All employees covered by this Contract shall be a part of the City's Drug and Alcohol Testing Program and subject to the remedies and disciplinary actions contained in the program, which shall supersede the disciplinary provisions of this Contract. The parties agree that the remedies and disciplinary actions shall not be changed without negotiating said changes first. The Union recognizes that the policy must adhere to State and Federal regulations.

Employees found to be intoxicated during working hours will be subject to five working days suspension for the first offense, and discharge for the second offense, with all the employee's rights to be upheld as set forth in Article XII, Section B, for suspensions, and in Article XII, Section C, for discharge.



Section I. Supplemental Employment.

It shall be the responsibility of the employee to notify the City Administrator of any regular, ongoing supplemental employment. Casual or sporadic work performed for cash shall not be considered "supplemental employment". It is not the intent of this provision to deny or prohibit supplemental employment. The intent is as follows:

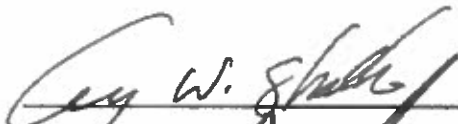
- 1) To promote on the job safety
- 2) To determine any conflicts of interest
- 3) To limit the City's exposure to liability
- 4) To ensure availability in call out procedures
- 5) To assure that supplemental employment will not interfere with the performance of the employee's position with the City of Mountain Iron.


Employees who fail to comply may be subject to the discipline procedure contained in this labor agreement.

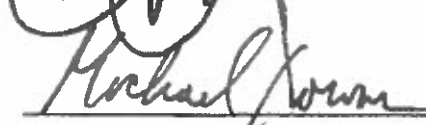
ARTICLE XIV  
DURATION OF CONTRACT

The terms and provisions of this Contract shall become effective on the first day of May, 2015 and shall continue in full force and effect until the 30<sup>th</sup> day of April, 2018, and thereafter from year to year unless either party shall give written notice to the other party ninety (90) days before the effective date of May 1<sup>st</sup> of each calendar year of its desire to amend said Contract.

MOUNTAIN IRON CITY COUNCIL  
MOUNTAIN IRON, MINNESOTA

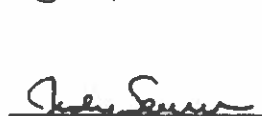
By   
\_\_\_\_\_  
Mayor


By   
\_\_\_\_\_  
City Administrator

By   
\_\_\_\_\_  
Witness

LOCAL UNION 453, AMERICAN FEDERATION  
OF STATE, COUNTY & MUNICIPAL  
EMPLOYEES, AFL-CIO

By   
\_\_\_\_\_  
Staff Representative

By   
\_\_\_\_\_  
President, Local 453

By   
\_\_\_\_\_  
Witness

**APPENDIX A**  
**JOB CLASSES**

Table A-1 identifies the Job Class assigned to each Job Title for employees covered by the term of this Contract. In the event a new job description is approved during the contract term, as stated in Appendix A, the Job Class assigned to the position shall be by mutual agreement of the City Council and AFSCME Local 453.

Table A-1:                    **JOB TITLE AND ASSIGNED JOB CLASS**

<b><u>JOB TITLE</u></b>	<b><u>JOB CLASS</u></b>
LEAD JOURNEYMAN LINEMAN	28
JOURNEYMAN LINEMAN	22
LEAD WATER AND WASTEWATER OPERATOR	22
LEAD PUBLIC WORKS WORKER/OPERATOR	21
MUNICIPAL SERVICES SECRETARY	20
LEAD PARKS AND RECREATION WORKER/LABORER	18
MAINTENANCE (MECHANIC) AND (UTILITIES)	16
WASTEWATER TREATMENT PLANT OPERATOR	14
OPERATORS & ACCOUNTING TECHNICIAN	12
BUILDING AND GROUNDS MAINTENANCE	10
SECRETARY & ASSISTANT LIBRARIAN	8
LABORER	6
LIBRARY SUBSTITUTE	4

**APPENDIX B  
WAGE SCHEDULE**

**Section A. General.**

Employees in the bargaining unit shall be paid on a cents per hour basis and any wage adjustments in the future shall also be on this basis. Calculations for the conversion of monthly salary to hourly rates, or vice versa, shall be based on a work year of 2080 hours.

**Section B. Longevity Pay**

Employees with ten (10) years or more of service shall be paid an additional 2% of their hourly salary times a salary base of 2080 hours per year. Employees with fifteen (15) years or more of service shall be paid an additional 3% of their hourly salary on times a salary base of 2080 hours a year. Employees with twenty (20) or more years of service shall be paid an additional 5% of their hourly salary times a salary base of 2080 hours per year. Starting May 1, 2015, longevity pay shall be based upon the most current hourly wage rate.

**Section C. Wage Schedule**

Table B-1 gives the hourly wage rates by job class effective during the term of this Contract.

**TABLE B-1:**

<u>JOB TITLE</u>	<u>Job Class</u>	Rate Effective <u>5/1/15</u>	Rate Effective <u>5/1/16</u>	Rate Effective <u>5/1/17</u>
Lead Journeyman Lineman	28	\$31.20	\$31.98	\$32.78
Journeyman Lineman	22	\$28.05	\$28.75	\$29.47
Lead Water/Wastewater Operator	22	\$28.05	\$28.75	\$29.47
Lead Public Works Worker/Operator	21	\$27.53	\$28.22	\$28.93
Municipal Service Secretary	20	\$26.09	\$26.74	\$27.41
Lead Parks & Rec Worker/Laborer	18	\$24.96	\$25.58	\$26.22
Maintenance (Mechanic) & (Utilities)	16	\$24.44	\$25.05	\$25.68
Wastewater Plant Operators	14	\$24.17	\$24.77	\$25.39
Accounting Technician	12	\$23.79	\$24.38	\$24.99
Operators	12	\$23.79	\$24.38	\$24.99
Buildings and Grounds Maintenance	10	\$23.50	\$24.09	\$24.69
Secretary	8	\$23.15	\$23.73	\$24.32
Assistant Librarian	8	\$23.15	\$23.73	\$24.32
Laborer	6	\$22.86	\$23.43	\$24.02
Library Substitute	4	\$14.46	\$14.82	\$15.19

Comparable Worth has been agreed to by both sides in negotiations.

Section E.

New employees shall be paid at 90% of the base rate of pay for the first 180 calendar days of employment, or successful completion of their probationary period. After the initial 180 calendar days, the employee's pay shall be increased to 100% of the base hourly rate of pay for the bargaining unit position.

APPENDIX C  
ACTIVE EMPLOYEES GROUP INSURANCE BENEFITS

Section A.

The Council will continue to provide and pay the entire premium for the present group life insurance in the amount of \$40,000.

Section B.

All eligible employees shall be covered by hospital and medical coverage equal to the Employee Benefit Plan of Duluth as carried by the Employer in 1988, with the Employer paying the entire premium for both single plan and family plan. Effective 5/1/00, employees, current and future retirees shall pay \$4.50/\$10.00 for formulary, non-formulary prescription drug co-pays.

Section C.

Effective January 1, 2007, the Employer shall provide a base contribution of \$527.00 per month toward a single hospital/medical policy, and a base contribution of \$1322.00 per month toward a family hospital/medical policy. Any amount higher than the base contribution shall be split on a 75/25 percentage basis, with the employee paying 25% of the cost above the base contribution. (Example: January 1, 2007, the actual premium for a family plan is \$1400.00 per month; the Employer would pay the base of \$1322.00 leaving a balance of \$78.00 which would be split 75/25 or amount to \$19.50 being paid by the employee.)

Section D.

Effective 5/1/00, the City will provide all eligible employees with a dental plan equal to Delta Dental Select Plus Employee Benefit Plan.

Section E.

Any increases in the aforementioned insurance premiums (Sections A, B and D) shall be borne by the Employer.

**APPENDIX D**  
**RETIRING EMPLOYEES INSURANCE PROGRAM AND SICK LEAVE FUND**

**Section A.**

All employees who have twenty-five (25) years of continuous employment with the City of Mountain Iron and who have reached a retirement age acceptable to the Minnesota Public Employees Retirement Association, Federal Social Security, and/or a retirement age limit set up by the City of Mountain Iron shall, upon retirement from active duty with the City, continue to be insured under the then existing hospitalization and medical program covering active employees of the City and their dependents.

For purposes of clarity and legal interpretation, the phrase "reached a retirement age acceptable to the MN Public Employees Retirement Association" shall be defined as any single one of the following minimum requirements as found in PERA regulations:

- a) You are at least age 55
- b) You have thirty (30) or more years of service, regardless of age (if hired prior to July 1, 1989)
- c) Your age plus years of public service total at least 90 (Rule of 90), if you were hired prior to July 1, 1989

Employees who retire after July 1, 2006, shall be required to enroll in Medicare/Medicaid upon age eligibility as stated in the Federal Medicare/Medicaid requirements. The Employer shall then furnish a supplemental policy which maintains the level of benefits in effect at the time of retirement of the employee. The retiree shall be required to pay for said hospital/medical premium and/or supplemental policy premium under the same percentage split as the active employees (cap contribution and 75/25 percentage split on the amount above the cap with the employee paying 25 %).

Employees hired after the ratification date of the 2006 contract shall not be eligible for Employer paid retiree health/dental care benefits. Employees hired after the ratification date shall be enrolled in the Minnesota State Retirement System Health Care Savings Plan, and after one (1) year of service with the Employer, the Employee shall begin to contribute 2% of their monthly salary into said account, and the Employer shall contribute 1.5% of the employee's monthly salary into the individual account.

**Section B.**

Effective May 1, 2000, all employees who have twenty (20) years of continuous employment with the City of Mountain Iron who become permanently disabled shall continue to be insured under the then existing hospitalization and medical program covering active employees of the City and their dependents. Employees with less than twenty (20) years continuous employment shall be covered by Appendix E, Long Term Disability, of this Agreement.

Section C.

All employees who have accumulated sick leave days to their credit at the time of retirement or death, or at such time that they become totally permanently disabled, shall be credited with an amount of sick leave equivalent to the current value of their unused sick leave accumulation less the amount paid as provided for in Article VI, Sick Leave, Section K.

Section D.

The monetary amount shall be placed in the Minnesota State Retirement System Health Care Savings Plan for each such affected employee for the reimbursement of costs related to medical expenses until each such employee's separate fund is exhausted.

Section E.

The monetary value of such accumulated sick leave days shall be determined by multiplying the number of days of unused sick leave by the wage or salary rate per day being paid the employee at the time of his retirement or at the time of total permanent disability.

Section F.

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

APPENDIX E  
LONG TERM DISABILITY INSURANCE

The City agrees to provide a long term disability policy for those employees who meet the average of 20 hours or more per week requirement, which shall commence coverage after 90 days of any illness or injury. The policy shall pay 66-2/3% of the employee's monthly gross earnings, based on an average of the previous 12 month period. The benefit will continue until age 65, and it shall be the responsibility of the employee to apply for PERA disability benefits and Social Security disability benefits as soon as eligible, no later than 24 months after the date of injury or illness. During the period of the employee's disability, the City shall continue to provide hospital/medical insurance, dental insurance and life insurance benefits, at the same level as the employee received while an active employee for the first 24 months of the disability. After 24 months, the City may reduce the benefit to a single paid policy for an additional 12 months. In any event, the City provided benefits shall cease once Medicare benefits are secured or 36 months from the date of the disability, whichever occurs first. The employee can continue to purchase insurance benefits by paying the premiums if necessary.

EMPLOYER CONTRIBUTION - 457 PLAN

The City agrees to contribute a maximum of \$50.00 per employee per month, based on a two-for-one match (employee contributes \$100.00 for \$50.00 from City) into the employee's 457 deferred compensation plan.