

AGREEMENT
BETWEEN
THE CITY OF ESCANABA
AND
TEAMSTERS LOCAL NO. 406, I.B.T.
WATER/WASTEWATER GROUP

Effective:
July 1, 2014
Through
June 30, 2017

INDEX

<u>ARTICLE</u>		<u>PAGE</u>
1	Recognition, Security & Union Deduction	3
2	Sick Leave	5
3	Funeral Leave/Personal Day	6
4	Leave of Absence	6
5	Military Leave	7
6	Jury Duty Leave	7
7	Seniority	7
8	Grievance & Arbitration	10
9	Wages & Pay Periods	11
10	Holidays	12
11	Vacations	13
11.5	Paid Time Off	15
12	Hours of Work, Overtime & Premium Pay	16
13	Discipline & Discharge	17
14	Insurance - Hospitalization, Life, Dental	18
15	Disability	19
16	Retirement	20
17	Longevity	21
18	Compensatory Time	21
19	General Provisions	22
20	Term of This Agreement	23
	Schedule "A" (Classification by Department)	25
	Schedule "B" (Classification & Wage Rates)	26

THIS AGREEMENT, made and entered into this 8th day of August, 2014, by and between the CITY OF ESCANABA, hereinafter referred to as the "Employer" and TEAMSTERS UNION LOCAL NO. 406, affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, located at, 2013 1st Avenue North, Escanaba, Michigan, hereinafter referred to as the "Union".

PURPOSE AND INTENT: The general purpose of the Agreement is to set forth terms and conditions of employment and to promote orderly and peaceful labor relations for the mutual interest of the Employer, the employees and the Union.

The parties recognize that the interest of the Community and the job security of the employees depend upon the Employer's success in establishing a proper service to the Community. To these ends, the Employer and the Union encourage, to the fullest degree, friendly and cooperative relations between their respective representatives at all levels and among all employees.

ARTICLE 1 RECOGNITION, SECURITY AND UNION DEDUCTIONS

Michigan PA 349 of 2012 has invalidated the provisions set forth below in Section 4. The clauses set forth below regarding Union security and other matters rendered illegal shall not be deemed contractually required.

SECTION 1. The Employer recognizes and acknowledges the Union as the exclusive representative in collective bargaining with the Employer for all of the Water and Wastewater Treatment Plant employees that hold positions as listed on Schedule "A", excluding all others.

SECTION 2. Pursuant to and in accordance with all applicable provisions of Act 336 of the Public Acts of 1947, (known as the Hutchinson Act), as amended, the Employer does hereby recognize the Union as the exclusive representative for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment affecting all employees of the Employer included in the bargaining unit herein acknowledged.

SECTION 3. Membership in the Union is not compulsory. All employees, except temporary or part-time employees, have the right, hereby acknowledged, to join and maintain membership in the Union; however, neither party shall discriminate against any employee on the basis of membership or non-membership in the Union. A temporary employee shall be defined as an employee hired for a specific period of employment not greater than six (6) months; and a part-time employee shall be defined as an employee employed for work assigned for an average of not greater than twenty (20) hours per week during any consecutive four (4) week period.

SECTION 4. All employees in the bargaining unit covered by this Agreement shall, as a condition of continued employment, pay to the Union such initiation fee and regular Union dues

as may, from time to time, be approved by the membership of the Union, or an amount of money equal to such initiation fee and regular Union dues. All new employees hired in classifications covered by the terms and provisions of the Agreement, and within the bargaining unit defined herein, shall commence payment of such fee and/or dues thirty-one (31) days following the termination of the six (6) month probation period hereinafter provided; and the payment of such fees and/or dues shall be a condition of continued employment. Permanent employees who fail or refuse to perform the requirements set forth herein shall be separated from employment with the City.

SECTION 5. Any provision of this Agreement which may hereafter be found to be, or may hereafter become, invalid under the laws of the United States or of the State of Michigan shall be subject to renegotiation upon the request of either of the parties hereto.

SECTION 6.

- A. During the period of time covered by this Agreement, the Employer agrees to deduct from the pay of any employee governed by the terms and provisions hereof all dues and/or initiation fees of the Union, or amount equivalent thereto, and pay such amount deducted to the Union, provided, however, that the Union presents to the Employer written authorization signed by such employee, allowing such deductions and payments to the Union.
- B. The written authorization for union dues deduction may be revoked only by written notice given to the Union and Employer at least sixty (60) days, but not more than seventy five (75) days before any periodic renewal date of the authorization.
- C. All new employees hired in classifications covered by the terms and provisions of the Agreement, and within the bargaining unit defined herein who have provided written authorization for the deduction of dues or fees shall commence payment of such fee and/or dues thirty one (31) days following the termination of the six (6) month probation period hereinafter provided.
- D. The Union agrees to indemnify and save the Employer harmless against any and all claims, suits, expenses and other forms of liability in reliance upon this section.

SECTION 7. The City and the union will honor all terms and conditions of this agreement and the rights of the City shall in no way conflict with the terms of this Agreement.

The union recognizes the prerogatives of the City to operate and manage its affairs in all respects in accordance with its responsibilities and powers of authority. The City has the right to determine when overtime work is required and schedule such overtime. The City reserves the right to discipline and discharge for just cause. The City reserves the right to lay off for lack of work or funds, or the occurrence of conditions beyond the control of the City. The City shall

have the right to determine hours and shifts and reasonable schedules of work and the number of employees in any department and to establish the methods and processes by which such work is performed. The City shall have the right to establish, adopt, amend, promulgate and enforce uniform work rules for its departments.

SECTION 8. This Agreement does not in any way abridge the right and responsibility of the citizens of Escanaba, acting either through their elected representatives, or as a group, or singularly, from expressing their will and ideas relative to City policy, administration and financing as set forth in the City Charter and the Michigan Home Rule Act.

ARTICLE 2
SICK LEAVE

Article 2 Applies to employees hired prior to 8/1/2014 who have not elected to participate in the City's PTO Plan. Employees hired on or after 8/1/2014, and employees hired prior to 8/1/2014 who have elected to participate in the PTO plan, should refer to Article 11.5 below.

A. Sick leave will be accrued for all full-time employees at the rate of twelve (12) days per year during the term of this Agreement. Unused sick leave shall be allowed to accumulate without maximum limitation.

B. It shall be the responsibility of the Employer to maintain sick leave records and it shall be the responsibility of each employee to verify the record and notify the Employer if a discrepancy is noted. The Employer shall disclose to any employee the amount of unused sick leave credited to such employee, upon the request of the employee.

C. An employee shall be credited for accrued sick leave on the first day of each month following the date of the commencement of employment; except that no employee may use sick leave until he has been employed for six (6) months.

D. Employees retiring from the City's service under the City's retirement plan will be compensated for unused, accumulated sick leave in accordance with the following formula:

All unused sick leave accumulated over and above 500 hours shall be paid at one-half ($\frac{1}{2}$) of the employee's hourly rate at the last day worked, not to exceed \$1,800.

E. Each department head will be responsible for approving sick leave, and he may do so only for valid reason, and after an employee informs him of his intention not to report to work. Each employee shall be responsible to notify his department head of their intended absence, unless such employee is hospitalized, or otherwise unable to tender such notification. Written verification of illness by a physician shall constitute sufficient showing of valid reason for absence due to illness; however, the lack of such verification shall not, in and of itself, be evidence of abuse of sick leave.

F. The department head responsible for approving sick leave may require a doctor's examination for any employee requesting sick leave. The cost of such examination shall be paid by the City; and if upon such examination the examining doctor should determine the employee to be fit for duty, the employee will report for duty or be taken off sick leave, except, however, that any dispute arising hereunder shall be subject to grievance and arbitration procedure hereinafter set forth. If the employee is found to be fit for duty, the cost of such examination will be paid for by the employee. If the employee's doctor has a conflicting diagnosis, the City will continue to pay for the medical exam.

ARTICLE 3 FUNERAL LEAVE/PERSONAL DAY

Article 3 Applies to employees hired prior to 8/1/2014 who have not elected to participate in the City's PTO Plan. Employees hired on or after 8/1/2014, and employees hired prior to 8/1/2014 who have elected to participate in the PTO plan, should refer to Article 11.5 below.

A. FUNERAL LEAVE -Funeral leave will be granted in the event of a death in the immediate family, the immediate family being defined as follows: spouse, mother and father of spouse, mother and father of employee, children of employee, stepchildren of the employee, brothers and sisters of employee, brothers-in-law and sisters-in-law, grandmother and grandfather of employee, stepmother and stepfather of employee, sons-in-law and daughters-in-law, and grandchildren of the employee. Leave granted in the event of a death in the immediate family shall not be deducted from sick leave and shall be paid at the employee's regular rate. Duration of such leave shall be determined in the reasonable exercise of the Employer's discretion in light of the circumstances of each individual occasion for the taking of such leave.

B. PERSONAL DAY. Each employee will be granted two (2) "personal days" per fiscal year, which can be accumulated to no more than 4 days total. Advance notice (prior to the day it will be utilized) is required, except in the case of an emergency, as it will assist department heads in their scheduling functions.

Department heads are urged to make every effort to allow employees the use of the time as requested. However, if the granting of a personal day results in staffing below minimum requirements, they should deny the request.

ARTICLE 4 LEAVE OF ABSENCE

A. Leave of absence may be obtained with the written permission of the City Manager for a period not to exceed one (1) year. The City Manager shall be the sole determiner of the necessity of the request for leave of absence, and his decision will be based on the value of the employee to the City, departmental needs and the purpose of the request.

B. Limited leave or time off without pay may be granted by the department head, if such approval will not impair the efficiency of the department, and providing such leave will not exceed forty (40) working hours.

C. The employer will comply with the provisions of the Family Leave Act.

ARTICLE 5 MILITARY LEAVE

A. Military leave shall be granted to present employees according to applicable State and Federal Laws.

ARTICLE 6 JURY DUTY LEAVE

An employee will be excused from work for jury duty and will be compensated at his or her regular rate of pay, less the amount received for serving as a juror, for all hours during which the employee is absent from work during his or her regular working hours as the result of such duty. The employee may choose to take annual leave if he desires, and retain all of his jury duty pay.

Employees assigned to the second shift, who do not attend work for any day that the employee has been selected for jury duty, shall receive compensation at the regular rate. Being called for duty, but not actually serving will not relieve an employee of their obligation to work their full shift. If an employee chooses to attend a portion of their shift on a day in which they have served on jury duty, they will not be entitled to any additional compensation beyond their "regular pay".

ARTICLE 7 SENIORITY

A. Seniority shall be defined for the purpose of this Agreement as the net credited service of the employee. Net credited service shall mean continuous employment with the Employer beginning with the date and hour on which the employee began to work after last being hired, less deductions for leave of absence or unauthorized absences, plus paid sick time, time off compensated by Workers' Compensation, time off due to service in the Armed Forces of the United States and other, authorized paid time off.

B. New employees will be considered probationary employees for a period of not less than six (6) months from the date of initial, continuous, full-time employment. An employee may be terminated at any time during the trial service period by the City Manager without the

right of appeal or a hearing. During this probationary period, the employee will not be a Union member.

C. An employee's probation may be extended for another, consecutive period of six (6) months, for good cause, and upon written notice to the employee and Union, and in such cases, the provisions of Paragraph A and B above will apply throughout this extended period. Written notification, in such instances, shall be provided ten (10) days prior to expiration of the initial probationary period.

D. Seniority shall be on a departmental basis and the Employer will post departmental seniority lists annually. For the purpose of this provision, job classifications within the bargaining unit covered by this Agreement shall be assigned to particular departments as shown by the attached Schedule A.

E. In the event of layoff in any department, employees shall be laid off in inverse order of seniority in that classification, the employee in the department with the least seniority in that classification being the first laid off. This process is assuming that the remaining employees are qualified to do the work. Recall shall be on the basis of seniority, the last employee laid off to be the first recalled assuming that the recalled employee is qualified to do the work.

F. Employees laid off without misconduct on their part, and who request in writing within two (2) years after separation, shall have their names placed on either or both a general re-employment or department re-employment list, at the option of the employee. The rank of such employees on the list shall be determined by a combined rating, giving equal consideration to efficiency as demonstrated on the job and length of service with the Employer. The seniority and eligibility of all candidates on re-employment lists shall expire two (2) years from the date of separation. No employee who seeks to exercise the options herein provided shall be deemed thereby to have waived his seniority or any right to recall otherwise herein provided.

G. Employees who were laid off and obtained other City jobs, either through bumping or through the general employment lists, will have first right of refusal on their previous positions, if and when the position is reinstated.

H. Employees who obtain a new position, either through bumping, or the general re-employment list, will be paid at the rate of the new position held.

I. In the event of a layoff, employees will be allowed to cross-bump into other departments, if their job descriptions are similar, or the qualifications are less. Employees exercising this bumping right will be given two (2) weeks to demonstrate their ability to perform the required work.

J. An employee shall lose his seniority for the following reasons only:

(1) He quits:

(2) He is discharged and the discharge is not reversed through the procedures set forth in this Agreement.

(3) He is absent for three (3) consecutive working days without notifying the Employer and fails to show good cause for such lack of notification to the Employer, who shall send written notice to the employee at his last known address that he has lost his seniority, and that his employment has been terminated;

(4) He does not return to work within seven (7) days of mailing of written notice of recall by the Employer to the employee's last known address and fails to show good cause therefore; and

(5) A dispute arising as a result of the loss of any employee's seniority pursuant to the provisions of this subsection shall be subject to the grievance procedures hereinafter established, including arbitration.

K. An employee who is injured while on duty shall continue to accumulate seniority during their absence due to such injury, and shall be reinstated upon recovery to their former position with full seniority, provided the employee is physically qualified to return to work. However, if the employee has not returned to work after one year from the date of the medical diagnosis of injury, the employee will not continue to accumulate seniority. Employees will be able to return to their former position if they return to work within one (1) year from the date of injury. If after one year the employee has not returned to work, they will be placed upon a preferred eligibility list for rehire and offered the next open position.

L. Seniority will be a factor for consideration in selecting an employee for promotion in any department. The other two factors will be ability and qualifications. The department head will make the choice among the top three (3) candidates for the promotion, as determined by seniority, ability and qualifications.

M. Employees assigned to vacancies or new positions will be given a reasonable opportunity, not to exceed six (6) months, to demonstrate their qualifications and ability to fill such vacancies or positions. If the employee is unable to qualify for the new position, he shall be returned to his original classification, with no loss of seniority in the original classification, provided the original classification has not been deleted and provided further that if the original classification has been deleted, the employee may exercise his seniority rights to any other classification in the unit or department, except that if the employee is unable to qualify for the next job classification to which he chooses to exercise his seniority rights, his employment may be terminated.

N. Reclassification. When an employee's position expands in job duties and responsibilities, consideration will be given to reclassify the employee to a higher classification.

O. The Employer shall notify the Union, in writing, of the hiring, promotion, demotion, transfer, reclassification or termination of any employee covered by this Agreement, and such notice shall include the rate of pay of such employee or any change thereof.

P. Prior to any long-term layoffs, the Union will be given an opportunity to comment on the method and effects of any such layoffs; provided, however, that failure to reach specific agreements on said layoff will not prevent the Employer from initiating the layoff procedure according to the provisions contained in this Contract. However, the City will not subcontract any work which would cause the layoff of any bargaining unit employee.

Q. Job openings will be posted and filled as follows:

(1) Job openings will first be posted within the affected department as set forth in Schedule A.

(2) If three or more qualified applicants submit applications from within the affected department, no further postings will be allowed and the opening will be filled from these applicants. If two or less qualified applicants apply for the position, the City has the right, but not the requirement, to proceed to the next step, which would be posting the job to all members of the bargaining unit.

(3) If three or more qualified applicants submit applications from the first two posting steps, no further postings will be allowed and the opening will be filled from these applicants. If two or less qualified applicants apply for the position, the City has the right, but not the requirement, to proceed to the next step, which would be posting the job to all other full-time employees of the City.

(4) If three or more qualified applicants submit applications from the first three posting steps, no further postings will be allowed and the opening will be filled from these applicants. If two or less qualified applicants apply for the position, the City has the right, but not the requirement, to proceed to the next step, which would be posting the job to all other qualified individuals.

ARTICLE 8 GRIEVANCE AND ARBITRATION

A. Grievances within the meaning of the grievance procedure and of this arbitration clause shall consist only of disputes about the interpretation or application of particular clauses of this Agreement. Neither party shall be obligated to negotiate on any grievance.

B. Step 1. - Any employee who believes he has suffered a grievance shall, within five (5) working days thereafter, with his steward, discuss the matter with his department head in an

attempt to arrive at a satisfactory settlement. The Department Head shall make his decision and, within five (5) working days thereafter, advise the employee of said decision.

Step 2. - If no satisfactory settlement is reached at Step 1, the grievance shall be reduced to writing, shall be presented by the steward to the department head within ten (10) working days after the date that the grievant either knew of the dispute or should have known of the dispute. If no agreement is reached by the parties, the Employer shall advise the Union and the aggrieved employee, in writing, as to the position of the Employer within ten (10) working days of having received the written grievance.

Step 3. - Within thirty (30) calendar days of the Employer advising the Union that the matter cannot be resolved as described above, either party shall have the right to request, in writing, binding arbitration. Either party may ask the Michigan Employment Relations Commission to submit a list of persons eligible to serve as arbitrators. If, within ten (10) days from the receipt of the list, the parties have not agreed on a single arbitrator, such arbitrator shall be appointed by the Michigan Employment Relations Commission. In rendering a decision, the arbitrator will confine him or herself to the terms and conditions delineated in the Agreement. The rules of the Michigan Employment Relations Commission shall prevail in the proceedings.

C. The grievant and the Steward of jurisdiction may attend the arbitration proceedings during their regular work hours without the loss of pay. If, however, the grievant has been terminated, the grievant will not receive pay. Under no circumstances will services be stopped, slowed or otherwise impaired while said proceedings are underway.

D. Each party will bear the expense of its representative. The expense of the arbitration shall be equally divided between the Union and the Employer. There shall be no suspension or refusal to handle work during the negotiations or arbitration.

E. By mutual agreement, mediation may be utilized as an intermediate step towards grievance resolution.

ARTICLE 9 WAGES AND PAY PERIODS

A. Annual increments shall take effect on the first day of each fiscal year. An employee appointed, promoted or reinstated prior to the first day of January in any fiscal year shall be eligible to receive an increment on the first day of the next succeeding fiscal year.

B. An employee appointed, promoted or reinstated on or after the first day of January in any fiscal year shall not be eligible to receive an increment until the first day of the second succeeding fiscal year.

C. No employee shall receive an increment which would result in his receiving an annual salary in excess of the maximum of the salary grade to which his position is allocated.

D. The City retains the option of advancing step increments based on the experience of employee and the needs of the City. The step increment will be advanced at the date of hire or at the end of six (6) months. Under no circumstances will advancements be made after six (6) months.

ARTICLE 10
HOLIDAYS

A. Holiday defined:

(1) Full Holiday - When used herein, the term "full holiday" shall mean a full twenty-four (24) hours, commencing at 12:00 Midnight of the eve of the holiday and ending at 12:00 Midnight on the night of the holiday.

(2) Half Holiday - When used herein, the term "half holiday" shall mean a period of twelve (12) hours commencing at 12:00 noon of the holiday and ending at 12:00 Midnight on the night of the holiday.

B. Conditions for granting pay on holidays: Employees shall receive no pay for holidays unless they work their scheduled work days preceding and succeeding such holiday, unless the employee is on approved paid time off or not scheduled to work. All employees shall be entitled to pay for holidays, subject to the conditions contained herein.

C. The following holidays will be recognized:

Full Holiday

New Years Day (January 1)
President's Day (third Monday in February)
Memorial Day (last Monday in May)
Independence Day (July 4)
Labor Day (first Monday in September)
Thanksgiving Day (fourth Thursday in November)
Day Following Thanksgiving Day
Christmas Day (December 25)

Half Holiday

Good Friday Afternoon
Christmas Eve Afternoon (December 24, p.m.)
New Years Eve Afternoon (December 31, p.m.)

D. Employees working holidays designated in Section C of this Article will be compensated as follows:

Full Holiday: Work during regular shift (Excluding Sunday): Rate - Base rate x 1-1/2 for hours worked + 8 hours holiday pay for full holiday. When a holiday falls on a Sunday, work during a regular shift will be paid at the base rate x 2. Not during regular shift hours: Rate - Base rate x 2-1/2 x hours worked.

Half Holiday: The same schedule shall apply as in a full holiday. No employee shall be required to work for more than four (4) hours on any half holiday without receiving holiday pay.

The employees required to work their regular shift on a day off granted in lieu of any holiday in Section C of this Article will be paid at time and one-half (1-1/2x) their regular rate.

E. Holidays falling on Saturday or Sunday will be observed on those days. Employees not scheduled to work on Saturday or Sunday shall receive eight (8) hours of such time to be used as designated by the City Manager.

F. If an employee is called out on one of the holidays listed below, they will be paid their base rate X 2½ for hours worked, regardless of whether the hours were during their “regular” shift: New Years Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

G. Employees working their scheduled shift on Easter Sunday will receive an additional four (4) hours of pay.

ARTICLE 11 VACATIONS

Article 11.0 A, C, F and G apply to employees hired prior to 8/1/2014 who have not elected to participate in the City’s PTO Plan. Employees hired on or after 8/1/2014, and employees hired prior to 8/1/2014 who have elected to participate in the PTO plan, should refer to Article 11.5 below.

A. Vacation time with pay will be granted to all permanent, full-time employees who have completed one (1) year of service; said vacation to be credited to the employee on each anniversary date of City employment.

B. Vacation or PTO schedules are subject to the approval of the department head who is charged with the responsibility of insuring that vacation or PTO time granted will not seriously impair the operation of his department.

C. Vacation will be granted on the following schedule:

<u>Years of Service</u>	<u>Days Credited</u>
1	6
2 through 6	11
7 through 11	16
12 through 14	18
15 through 20	21
21	22
22	23
23	24
24 through 29	25
30 and over	30

D. Seniority, along with departmental personnel needs, will be the determining factors in the selection and/or assignment of periods of vacation or PTO to individual employees.

E. Any employee requesting vacation or PTO leave shall apply at least twenty-four (24) working hours in advance except for particular periods of time when the department head may deem it necessary to prepare schedules covering particular periods of time; said schedules to be prominently posted within the department for at least two (2) weeks.

F. Employees terminating their City employment will be entitled to pay for the unused and accrued portion of their vacation leave to the last date of their employment. The last date of said City employment is declared to be the last date on which an employee worked a full, eight (8) hour shift.

G. An employee will not be allowed to accumulate vacation time beyond two (2) years of credited vacation at the regular rate for that employee. Such time lost will not be regained by an employee subsequently using all or a portion of the previously credited vacation time.

The above provisions regarding vacation accrual will not be subject to exception unless:

- (1) For reasons of efficiency or emergency, the Employer forbids an employee from taking vacation time and there is subsequently insufficient time prior to the employee's anniversary date to prevent the loss of accrued vacation time.
- (2) Six (6) months prior to the accrual of excess vacation time, an employee remaining on the City payroll obtains a written exception from the City Manager, said exception to be only granted in the best interests of the City.
- (3) Six (6) months prior to retirement, an employee receives an exception, in writing, from the City Manager.
- (4) Reasons of health prohibit utilizing vacation during any given year.

ARTICLE 11.5
PAID TIME OFF (PTO)

APPLICABILITY: Employees hired on or after 8/1/2014 shall participate in the City's Paid Time Off (PTO) Plan. Employees hired prior to 8/1/2014 may voluntarily elect to participate in the PTO Plan by providing written notice to the Personnel Director prior to 9/1/2014. Employees who elect to participate in the PTO Plan shall relinquish all rights to accumulated and future accrued vacation, sick leave, personal leave and funeral leave.

TERMS: Employees participating in the PTO Plan shall receive annual paid leave pursuant to the below schedule. Leave shall be granted and available for use on one's hire date and on each subsequent anniversary date. Employees may carry forward unused PTO in an amount not to exceed 3 times one's current annual allotment.

SCHEDULING: Certain departments have policies for scheduling vacations, in which case, PTO participants are expected to comply with any such policy. In all cases, employees must provide proper notification of time off in accordance with general City policies.

USES: PTO may be used for vacations, sickness, bereavement, and any other purpose for which an employee desires time away from work.

CLASSIFICATION OF TIME: PTO shall be considered time worked for purposes of insurance and retirement eligibility and for purposes of seniority.

PTO AT SEPERATION: Employees shall be paid for up to two years' allotment of available PTO at separation, at the rate of pay then in effect, except as provided for as follows: Employees who are discharged for "Cause" or who quit without giving at least one week notice, shall not be paid for unused PTO at separation from services.

PTO WILL BE GRANTED PURSUANT TO THE FOLLOWING SCHEDULE:

<u>DATE GRANTED</u>	<u>DAYS</u>
HIRE DATE	10
1 ST ANNIVERSARY	12
5 TH ANNIVERSARY	17
10 TH ANNIVERSARY	22

15 TH ANNIVERSARY	25
20 TH ANNIVERSARY	30
25 TH ANNIVERSARY	35

ARTICLE 12
HOURS OF WORK, OVERTIME AND PREMIUM PAY

A. The provisions of this Article are intended to provide a base for determining the number of hours of work for which an employee shall be entitled to be paid at overtime rates and shall not be construed as a guarantee to such employee of any specified number of hours of work, either per day or per week, or as limiting the right of the City to fix the number of hours of work (including overtime) either per day or per week for its employees.

B. The standard week for computing pay will remain as it has in past practice.

C. Employees shall be allowed one fifteen (15) minute break during each four (4) hours of work.

D. Hourly employees working in excess of five (5) days (40 hours) during a standard week will be paid at a rate of one and one-half times (1-1/2x) their regular hourly rate or rates.

E. Hourly employees working more than eight (8) hours during any day will be paid at a rate one and one-half time (1-1/2x) the regular hourly rate or rates.

F. The hours of work in specific shift assignment shall be determined by the department head, shall be posted on the department's bulletin board, and may be adjusted by actual notice to any employee no less than twenty-four (24) hours in advance, or by mutual agreement between a department head and an employee.

G. Employees working on regular shift shall receive a shift differential of thirty-five (35) cents per hour for hours worked between the hours of 4:00 p.m. and 12:00 a.m. or 3:00 p.m. and 11:00 p.m. if that is the scheduled shift; and forty (40) cents per hour for hours worked between the hours of 12:00 a.m. and 8:00 a.m. or 11:00 p.m. to 7:00 a.m. if that is the scheduled shift.

H. A minimum of two (2) hours at time and one-half (1-1/2x) shall be paid an employee who returns to duty after having been released from regular day's work or on days other than his scheduled work days. An employee who answers an emergency call shall be considered as being on duty for the full two (2) hours, and another call within his two (2) hour period shall not entitle the employee to extra consideration beyond the time and one-half (1-1/2x) for actual time worked in excess of such two (2) hours. The minimum of two (2) hours at time and one half (1-1/2X) shall be paid in addition to any scheduled hours worked during that same two (2) hour period.

1. The Employer in determining which employee or employees to call out will use the seniority call out list for contacting employees.

I. Employees not scheduled to work on the day upon which a holiday falls will be paid a minimum of two (2) hours at the holiday rate for responding to emergency calls. An employee scheduled to work on the day upon which a holiday falls, who is excused by reason of it being a holiday, shall be paid a minimum of two (2) hours at time and one-half (1-1/2x) for responding to emergency calls during the regularly scheduled hours from which he was excused. A minimum of two (2) hours at the holiday rate shall be paid to such employee for responding to emergency calls before or after his regularly scheduled hours. The provisions of this Section shall apply only to the holidays designated in Article 10, Section C, excluding the holidays designated in Article 10, Section F. of this Agreement; pay for emergency call-back on a day off given in lieu of a holiday in Article 10, Section C, will be governed by the provisions of Article 12, Section H. The employer, in determining which employee or employees to call out, will use the seniority call out list for contacting employees in the appropriate job classification.

J. Premium pay will be paid for employees working on any Sunday if the Sunday worked is within their regular workweek schedule; said premium pay to be computed as follows:

Regular rate of pay plus one-half (½) of this amount for hours worked. This premium rate is not to be figured on overtime pay or on any differential or other premium pay that might be over and above the regular rate of pay normally paid the employee.

K. Any other employee who undertakes the duties of a higher classification, shall be paid at no less than the minimum rate specified for such higher classification, provided that such employee shall have assumed the duties of said higher classification for three (3) consecutive eight (8) hour working days.

L. The Employer shall notify the Union immediately in the event that any new classification of employees covered by this Agreement shall be established, in which such event the parties shall establish the wage rate for such new classification by mutual agreement.

M. In computing hours to be applied in calculating overtime, all excused and paid hours will count as time worked.

N. Out-of-classification overtime will be by seniority between qualified employees.

O. Sunday overtime will be paid at double time (2X).

ARTICLE 13
DISCIPLINE AND DISCHARGE

An employee may be disciplined or discharged for just cause; provided that a finding by the Employer of just cause for the discipline or discharge of any employee covered by this Agreement shall be subject to the grievance procedure herein above set forth, including arbitration.

Once a year an employee may request a meeting with the City Manager, or his designee, to review the employee's personnel file. Upon mutual agreement, disciplinary records may be expunged. The City decision will not be subject to the grievance procedure.

ARTICLE 14
INSURANCE - HOSPITALIZATION, LIFE, DENTAL

A. During the term of the Agreement the employer agrees to pay into the M.C.T.W.F., Pursuant to the Fund's Participation Agreement, for each eligible member and/or family, who elects coverage pursuant to the Employer's 125 Cafeteria Plan, a contribution amount as indicated below for plan 1028.

	TIER 1 SINGLE	TIER 2 EMPLOYEE AND CHILDREN	TIER 3 EMPLOYEE AND SPOUSE	TIER 4 FAMILY
EFFECTIVE 9/14/14	145.45	286.70	343.10	427.85
EFFECTIVE 3/29/2015	150.25	296.30	354.70	442.40
EFFECTIVE 4/03/16	164.70	313.30	372.75	461.90
EFFECTIVE 4/2/17	173.10	329.45	392.00	485.90

B. The Employee shall reimburse the Employer 20% of the Base Medical Benefit and Prescription Drug Benefit Premium rates pre-tax, per bi-weekly payroll deduction.

C. During the term of the MCTWF Participation Agreement entered into on 8/3/2014 and expiring on 6/30/2017, Employer shall contribute to the fund on behalf of covered employees for the following:

- They Are absent from the job due to an on the job injury/illness (i.e. for Workers Compensation) for the lesser of (1) 26 weeks following the week in which the injury/illness occurred, or (2) the duration of the on the job injury/illness related absence;
- They Are absent from the job due to an off the job injury/illness for the lesser of (1) 4 weeks following the week in which the injury/illness occurred, or (2) the duration of the off the job injury/illness related absence;
- For each week on behalf of a participant who worked or is compensated for any portion of the contribution week;

- Whose absence from the job is due to military duty for the first 4 weeks following the week in which military duty is commenced;
- D. Employees covered under MCTWF Plan 1028 will not be eligible for Weekly Accident and Sickness benefits in weeks they receive any compensation from the employer.
- E. OPT OUT: Employees who have submitted an opt out application to MCTWF with a Certificate of Creditable Coverage shall on written approval receive pay in lieu of health insurance benefits, otherwise known as “opt out” pay. The amount of opt out pay shall be 40% of the City’s cost for the applicable health policy. Opt out pay shall be calculated net of reductions for mandatory tax payments, i.e. FICA, FUTA, Unemployment Insurance, etc. Opt out amounts shall be established on January 1st of each year and shall remain in effect through December 31st. Opt out pay shall be subject to all terms and conditions contained in the City’s Section 125 plan document. Employees may only opt out of health insurance benefits during the City’s annual open enrollment period, or during a special open enrollment period, or in conjunction with a “qualifying event” as outlined in the City’s Section 125 plan document.
- In the event opt out pay is disallowed under Federal or State regulations, opt out employees will be returned to the applicable insurance policy; payments shall cease; and the City shall have no further liability for said payments.
- F. The Employer agrees to furnish, at no cost to Employee, a term life insurance policy in the amount of \$20,000 double indemnity covering Employee only.

ARTICLE 15
DISABILITY

An employee may be terminated from his employment in the event he becomes disabled as a result of disease, physical ailment or defect which, in the opinion of the City doctor and his department head, makes him unfit for the safe or efficient performance of his duties. For the purpose of this provision, disability shall be interpreted as any condition which has caused, or is likely to cause, an employee to be unable to safely and efficiently perform his duties for a period not less than six (6) months. In the event any employee wishes to dispute the findings or recommendation of the City doctor, he shall be entitled to obtain and present independent medical evidence, at the employee's expense. If such independent medical evidence does not support the recommendation of the City doctor, and the dispute or issue raised thereby cannot be resolved to the mutual satisfaction of the employee and the Employer, such dispute or issue shall be subject to the grievance procedures herein set forth, including arbitration.

All employees injured or incapacitated in the actual discharge of their duties, shall receive compensation and medical care in accordance with the provisions of the Michigan Worker's Compensation Act; and the Employer shall pay, in addition thereto, from the date of injury or incapacity, but not to exceed six (6) months for any one personal injury, a weekly sum

equal to the difference between the weekly amount of compensation benefits paid to such employee and the wages payable at the employee's regular rate of pay for forty (40) hours of work per week; except that this provision shall not apply under the following circumstances.

- (1) When an employee suffering partial incapacity refuses to accept limited duties within his capacity to perform and at his regular rate of pay;
- (2) When employment terminates through death, retirement, or other reasons;
- (3) When injury results from the employee's misconduct.

ARTICLE 16
RETIREMENT

A. Employees hired prior to 7/1/06 who have attained 25 or more years of credited service and who are at least 55 years old will be eligible for full retirement pay through the Municipal Employee's Retirement System. Retirement benefits shall be as follows: MERS defined benefit (DB) plan with B3; F-55/25; FAC 3 option.

Final Average Compensation (FAC) is the average of the wages paid during the period of three (3) consecutive years of credited service which produces the highest average. The three (3) consecutive years must be in the last ten (10) years of credited service.

FAC will include unused vacation leave, unused comp. time, unused personal leave and prorated longevity pay paid at retirement, per the provisions of the contract, and in accordance with MERS' rules for the calculation thereof.

Employees hired on or after 7/1/06 will be required to participate in the City's Defined Contribution Retirement Plan (DC plan). The terms of the DC plan shall be as follows: The City shall contribute an automatic 4% of an employee's gross pay (not including pay in lieu of insurance benefits) into the plan. The City will match up to an additional 3% pre-tax contribution by the employee. Employees will vest in City contributions one year after the receipt thereof.

B. All employees who have twenty-five (25) or more years of service or are retiring, shall receive \$100.

C. Employees who have reached age 55 will be eligible for retirement bonus under the following schedule, upon retirement:

<u>Yrs. Service</u>	<u>Bonus Payment</u>	<u>Yrs. Service</u>	<u>Bonus Payment</u>
20	\$300	30	\$525
21	\$320	31	\$525
22	\$340	32	\$525
23	\$360	33	\$525

24	\$380	34	\$525
25	\$400	35	\$525
26	\$425	36	\$525
27	\$450	37	\$550
28	\$475	38 +	\$600
29	\$500		

D. An annual cost of living (COLA) increase will provide a 1% cost of living increase for retired employees. The COLA increase is effective on January 1st of each year and in order for employees to be eligible for a COLA increase, the effective date of retirement must be before August 1st of the preceding year. This provision shall not apply to employees hired after 6/30/06, and shall not apply to employees hired prior to 7/1/06 who have elected the DC plan in lieu of the DB plan.

ARTICLE 17
LONGEVITY PAY

After completing five (5) full years of service as of November 1, each employee receives annually, on the payday closest to December 1 (to be paid by separate check), longevity pay computed as follows:

<u>Years of Service</u>	<u>Not to Exceed</u>
After 5 years	\$200
After 10 years	\$350
After 15 years	\$450
After 20 years	\$550

ARTICLE 18
COMPENSATORY TIME

Employees may earn and accumulate compensatory time in lieu of overtime pay, at the option of the employee, for a period not to exceed two (2) regular forty (40) hour work weeks, or a total of eighty (80) hours. Compensatory time shall also be credited to an employee while in attendance, outside of regular hours of work, at school or classes which contribute to the improvement of skills or knowledge utilized in the performance of such employee's job duties, upon approval by the City Manager.

Compensatory time credited to employees, in lieu of over-time, shall be credited at the rate of one and one-half times (1-1/2x) the number of overtime hours worked.

Prior approval of the City Department Head must be obtained in order to accrue compensatory time. A notice of twenty-four (24) hours must be given by an employee to his Department Head requesting earned time off. The twenty-four (24) hour notice shall not be a

mandate in the event of a proven emergency. A supervisor may grant compensatory time off for less than eight (8) hours at his discretion.

However, it is agreed that the granting of compensatory time off shall not unnecessarily interfere with the efficient operation of the department.

Upon written request, on or before October 15th, the Employer shall provide monetary compensation for compensatory time earned payable on the check for the first regular pay period in November.

ARTICLE 19 GENERAL PROVISIONS

A. In the event that a dispute arises regarding past practice or custom and either party asserts that such past practice or custom constitutes a part of this Agreement, any dispute or issue arising as a result of such claim shall be subject to the grievance procedure herein above set forth, including arbitration.

B. All existing administrative regulations governing City policy will remain in effect and future administrative regulations which may from time to time be adopted. Said regulations are not to conflict with the provisions of this Agreement.

C. No person in the City classified service or seeking admission thereto shall be appointed, demoted or removed, or be in any way favored or discriminated against because of his political or religious opinions or affiliations or national origin.

D. All employees governed by this Agreement shall maintain a residence within 20 miles from the corporate City Limits of Escanaba.

E. If any Article or Section of this Agreement or any Supplements thereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal, the remainder of the Agreement and Supplements shall not be affected thereby and the parties shall enter into immediate collective bargaining negotiations for the purpose of arriving at a mutually satisfactory replacement for such Article or Section.

F. It shall be expressly understood by both parties that this Contract may be revised, amended or otherwise altered to include new agreements, or affect changes in the existing contract language, when mutually agreed upon by the Union and the Employer.

G. It shall not be obligatory on either party to reopen negotiations during the agreed-upon period for effectuation of this Contract except as specified in Article 14, Section B.

H Words which impart one gender shall be applied to either gender where appropriate.

I. Sewer and Sanitation employees will be furnished with coveralls with the understanding that they will wear them at all times while on duty.

J. Employees will be required to comply with the provisions of the Michigan Commercial Drivers License requirements. Employees will be required to possess a valid driver's license and the appropriate endorsement (group designation) for the vehicle they are required to drive.

Fees for the renewal of the regular driver's license will be the responsibility of the employee. Any fees for required endorsements (designations) will be paid for by the Employer.

K. A City Safety Committee will be formed and a Water/Waste Water employee will serve on this committee.

L. Safety Shoes. All employees designated by the City will be required to wear approved safety toed shoes/boots at all times. To help defray the cost of this safety rule, the City will reimburse designated employees up to 25% of the cost of purchasing said footwear upon evidence of the purchase of qualifying footwear. This will be allowed once each fiscal year.

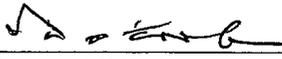
ARTICLE 20
TERM OF THIS AGREEMENT

The provisions of this Agreement shall become effective as of July 1, 2014. This Agreement shall continue in full force and effect until midnight, June 30, 2017, unless, not more than 150 days but at least 120 days prior to the end of its original term, or of any annual period thereafter, either party shall serve upon the other written notice that it desires termination, revision, modification, alteration, renegotiation, change or amendment, or any combination thereof, which shall have the effect of terminating this Agreement in its entirety on the expiration date in the same manner as a notice of desire to terminate, unless, before such date of termination, all subjects of this Agreement proposed by either party have been disposed of by agreement or by withdrawal by the party proposing amendment.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representative.

CITY OF ESCANABA

GENERAL TEAMSTERS LOCAL UNION NO. 406

BY 
James O'Toole, Manager

BY 
Ronald E. Holzgen, Local 406
Secretary Treasurer
Principal Officer

10/23/14
(Date)

10/27/2014
(Date)

BY 
Kevin Keveney, Local 406
Business Agent

10/24/2014
(Date)

City of Escanaba
Teamsters 214 Labor Agreement
7/1/2014 to 6/30/2017
Schedule A
Job Classifications

<u>DEPARTMENT</u>	<u>CLASSIFICATION</u>
Water	Chief of Operations and Maintenance
	Operator F-1 Certified
	Operator F-2 Certified
	Operator F-3 Certified
	Operator F-4 Certified
	Operator S-1 Certified
	Operator S-2 Certified
	Operator S-3 Certified
	Operator S-4 Certified
	Maintenance Mechanic - Operator F-1
	Maintenance Mechanic - Operator F-2
	Maintenance Mechanic - Operator F-3
	Maintenance Mechanic - Operator F-4
	Distribution Supervisor
	Distribution Lead Worker
	Relief Operator Mechanic Water Wastewater F-1
	Relief Operator Mechanic Water Wastewater F-2
	Relief Operator Mechanic Water Wastewater F-3
	Relief Operator Mechanic Water Wastewater F-4
	Skilled Laborer
Wastewater	Chief of Operations and Maintenance
	Operator - Maintenance Mechanic A Certified
	Operator - Maintenance Mechanic B Certified
	Operator - Maintenance Mechanic C Certified
	Operator - Maintenance Mechanic D Certified
	Relief Operator - Mechanic A Certified
	Relief Operator - Mechanic B Certified
	Relief Operator - Mechanic C Certified
	Relief Operator - Mechanic D Certified
	Relief Operator Mechanic Water Wastewater A
	Relief Operator Mechanic Water Wastewater B
	Relief Operator Mechanic Water Wastewater C
	Relief Operator Mechanic Water Wastewater D

City of Escanaba
Teamsters 406 Labor agreement
7/1/2014 to 6/30/2017
Schedule B Wages

Wage Group	Title	Effective Date	Change	90.0%	92.5%	97.5%	100.0%
1	Skilled Laborer	07/01/13	1.00%	18.32	18.83	19.85	20.36
		08/08/14	2.00%	18.69	19.21	20.25	20.77
		07/01/15	2.00%	19.07	19.60	20.66	21.19
		07/01/16	2.00%	19.45	19.99	21.07	21.61
2	Operator F4 Operator S4 Operator S3	07/01/13	1.00%	18.85	19.37	20.42	20.94
		08/08/14	2.00%	19.22	19.76	20.83	21.36
		07/01/15	2.00%	19.61	20.16	21.25	21.79
		07/01/16	2.00%	20.01	20.56	21.67	22.23
3	Operator S2 Operator F3 Operator Mechanic F4 Operator Mechanic D Relief Operator Mechanic D Relief Operator Mechanic W/WW F4 or D	07/01/13	1.00%	19.31	19.84	20.91	21.45
		08/08/14	2.00%	19.69	20.24	21.33	21.88
		07/01/15	2.00%	20.09	20.65	21.76	22.32
		07/01/16	2.00%	20.49	21.06	22.20	22.77
4	Operator F2 Operator Mechanic F3 Operator Mechanic C Relief Operator Mechanic C Relief Operator Mechanic W/WW F3 or C	07/01/13	1.00%	19.81	20.36	21.46	22.01
		08/08/14	2.00%	20.21	20.77	21.89	22.45
		07/01/15	2.00%	20.61	21.18	22.33	22.90
		07/01/16	2.00%	21.02	21.61	22.78	23.36
5	Distribution Lead Worker Operator F1 Operator Mechanic F2 Operator Mechanic B Relief Operator Mechanic B Relief Operator Mechanic W/WW F2 or B	07/01/13	1.00%	20.49	21.06	22.20	22.77
		08/08/14	2.00%	20.91	21.49	22.65	23.23
		07/01/15	2.00%	21.32	21.91	23.10	23.69
		07/01/16	2.00%	21.74	22.35	23.56	24.16
6	Operator Mechanic F1 Operator Mechanic A Relief Operator Mechanic A Relief Operator Mechanic W/WW F1 or A	07/01/13	1.00%	20.98	21.56	22.73	23.31
		08/08/14	2.00%	21.40	22.00	23.19	23.78
		07/01/15	2.00%	21.83	22.44	23.65	24.26
		07/01/16	2.00%	22.28	22.89	24.13	24.75
7	Chief of Operations	07/01/13	1.00%	21.44	22.03	23.22	23.82
		08/08/14	2.00%	21.87	22.48	23.69	24.30
		07/01/15	2.00%	22.31	22.93	24.17	24.79
		07/01/16	2.00%	22.76	23.39	24.66	25.29
8	Distribution Supervisor	07/01/13	1.00%	24.30	24.98	26.33	27.00
		08/08/14	2.00%	24.79	25.47	26.85	27.54
		07/01/15	2.00%	25.28	25.98	27.39	28.09
		07/01/16	2.00%	25.79	26.50	27.93	28.65

CALL OUT LIST
WATER DEPARTMENT

Note to Dispatchers:

For "all" calls and requests between 7 am & 11 pm everyday (normal working hours) including Saturday and Sunday please **call the Water Plant first (786-3291.)**

For calls after 11 pm and before 7 am please refer to the following call out list.
Also, please call both home and cell phone numbers before moving down the list.

Water Plant Call Outs:

1. Mark Rose
2. Jeremy Veese
3. Jason Kralovetz
4. Rick Gascon
5. Bryan Tiglas
6. Patty Franks
7. Tim Coppock
8. Jeff Lampi

Water Distribution & Miss Dig (Leaks outside of house) Call Outs:

1. Ken LaMarche
2. Jeremy Veese
3. Jason Kralovetz
4. Rick Gascon
5. Bryan Tiglas
6. Tim Coppock
7. Jody Welch
8. Mark Rose
9. Jeff Lampi

Water Service (Leaks inside of a house and thawing) Call Outs:

1. Dave Nelson
2. Start at the top of the **Water Distribution List**

Miss Dig Requests:

For all Miss Dig requests during the water plants normal working hours stated above, please fax a copy of the Miss Dig to the Water Plant at 789-3790.

For emergency Miss Digs between 11 pm and 7 am (any day) please refer to the **Water Distribution call out list.**

CALL OUT LIST
WASTEWATER DEPARTMENT

Note to Dispatchers:

For "all" calls and requests between 7 am & 11 pm Monday through Friday and between 8 am & 5 pm on Saturday and Sunday (our normal working hours) please **call the Water Plant first (786-1301.)**

For all other times please refer to the following call out list.

Also, please call both home and cell phone numbers before moving down the list.

Sanitary Sewer Problems (Collection System) Call Outs:

Monday, Thursday, Friday and Sunday call **Fred Hoehn** first.

Tuesday, Wednesday, and Saturday call **Rob Johnson** first.

1. **Fred Hoehn**
2. **Rob Johnson**
3. Mike Samuelson
4. Chris Barron
5. Jeremy Veaser
6. Jason Kralovetz
7. Rick Gascon
8. Bryan Tiglas
9. Tim Coppock
10. Jody Welch
11. Jeff Lampi

Wastewater Plant and Lift Station Problems Call Outs:

1. Mike Samuelson
2. Chris Barron
3. Fred Hoehn
4. Rob Johnson
5. Jeremy Vesser
6. Jason Kralovetz
7. Rick Gascon
8. Bryan Tiglas
9. Tim Coppock
10. Jeff Lampi

Note to Wastewater Personnel:

In the event our sewer cleaning truck is inoperable there is a key in the pick-up truck to open the DPW garage to hook-up and use their trailer mounted sewer jet.

Reminder: Press the * or 8 or 9 to acknowledge the Lift Station Alarm.