

LABOR AGREEMENT

BETWEEN

THE CITY OF ESCANABA

AND

TEAMSTERS LOCAL 406
PUBLIC SAFETY COMMAND UNIT

JULY 1, 2014, THRU JUNE 30, 2017

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AGREEMENT

THIS AGREEMENT, made and entered into on July 1, 2014, by and between the CITY OF ESCANABA, hereinafter referred to as the "Employer" and TEAMSTERS LOCAL 406, representing the members of the Escanaba Public Safety Department's Command Unit, hereinafter referred to as the "Union". For Purposes of defining the Public Safety Command Unit, members shall be defined as those individuals with a rank of Sergeant, Lieutenant, Detective Sergeant and Detective Lieutenant. The term "unit", as used herein, shall refer to the Public Safety Command Unit.

PURPOSE AND INTENT

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 I RECOGNITION, SECURITY AND UNION DEDUCTIONS

SECTION 1. The Employer recognizes and acknowledges that the Union is the exclusive representative in collective bargaining with the Employer of those classifications of employees covered by this agreement and listed in the attached Addendum No. 1.

- A. 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 for the term of this agreement for all employees of the Employer included in the bargaining units described above.

SECTION 2. Membership in the Union is not compulsory. Regular employees have the right to join, not join, maintain, or drop their membership in the Union as they see fit. Neither party shall exert any pressure on or discriminate against an employee in regard to such matters.

- A. Any permanent employee who is not a Union member and who does not make application for membership, shall, as a condition of employment, pay to the Union an amount equal to the Union's regular initiation fee and a monthly service charge in an amount equal to the monthly dues and assessments uniformly applied to the members as a contribution toward the administration of this Agreement. Permanent employees who fail to comply with this requirement on the thirty-first (31st) day following the effective date of this Agreement, or on the thirty-first (31st) day following the beginning of their permanent employment,

whichever occurs first, thereby indicate that they no longer desire employment with the City and will henceforth be separated from the City service.

SECTION 3. If any provision of the Article is invalid under Federal Law or the laws of the State of Michigan, such provision shall be modified to comply with the requirements of Federal or State Law or shall be renegotiated for the purpose of adequate replacement.

SECTION 4. During the period of time covered by this Agreement, the Employer agrees to deduct from the pay of any employee all dues and/or initiation fees of the Union and pay such amount deducted to said Union provided, however, that the union presents to the Employer authorization signed by such employee, allowing such deductions and payments to the Union.

ARTICLE II
SICK LEAVE, LEAVE OF ABSENCE, EMERGENCY LEAVE, MILITARY LEAVE

Sick Leave:

Sick Leave provisions apply to employees hired prior to 9/1/2014 who have not elected to participate in the City's PTO Plan. Employees hired on or after 9/1/2014, and employees hired prior to 9/1/2014 who have elected to participate in the PTO plan, should refer to Article VIII below.

- A. For employees hired prior to 9/1/2014, sick leave will accrue for all full-time employees at a rate of 8 hours per month, to an unlimited amount. An employee shall be credited for accrued sick leave on the first day of each month following the date of commencement of employment; however, no employee may use sick leave until they have been employed for six (6) months.
- B. It shall be the responsibility of the Employer to maintain the sick or PTO leave records and it shall be the responsibility of each employee to verify their records and notify the City if a discrepancy is noted.
- C. Employees retiring from service under the provisions of Act 345 will be paid for sick time under the following formula:

All unused sick leave accumulated over and above 520 hours shall be paid up to one-half of such amount at the employee's hourly rate at last day worked, not to exceed \$1,800.00.
- D. Each Department Head will be responsible for approving sick or PTO 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 the officer in charge at the time of such notification of such employee's intention not to report to work, 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.

- E. The Department Head responsible for approving sick or PTO leave may require a doctor's examination for the employee requesting the sick leave and if the illness is verified by the doctor, the City will assume the cost of the physical. If the doctor judges the employee to be fit for duty, the employee will report for duty or be taken off sick leave.

Funeral Leave:

- A. Funeral leave will be granted to employees hired prior to 9/1/2014 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, brothers and sisters of employee, brothers-in-law and sisters-in-law of employee, grandmother and grandfather of employee, stepmother, stepchildren and stepfather of employee, sons-in-law and daughters-in-law, and grandchildren of the employee. Funeral leave granted in the event of a death in the immediate family shall commence on the actual date of death and shall extend to include the day following completion of the funeral services.

Employees hired on or after 9/1/2014 shall be permitted to use available PTO time to attend a funeral.

- B. Funeral leave shall not be deducted from sick leave and shall be paid at the employee's regular rate.

Personal Leave:

Each employee hired prior to 9/1/2014 will be granted twelve (12) hours personal leave per fiscal year which can be accumulated to forty-eight (48) hours. Advance notice of twelve (12) hours prior to the date requested shall be given and requests cannot be denied for arbitrary or capricious reasons or if it would create overtime. In the event that no personnel voluntarily fill a vacant shift created through use of personal leave, the department shall have the right to "order in" an eligible employee who has the least amount of departmental seniority. Only one officer per platoon may be on personal leave at any one time. Unused personal leave time will be paid off at the time of separation or retirement and calculated into the final average compensation.

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 for the necessity of the request for a 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-eight (48) working hours.

Military Leave:

- A. Military leave shall be granted according to the applicable State and Federal Laws.
- B. National Guard Field Training will be paid as follows:

The City will pay the difference between the regular City rate, based upon a standard forty-two (42) hour work week, and the amount they receive from their National Guard Pay.

ARTICLE III
SENIORITY

- A. Departmental seniority shall be defined, for the purpose of this Agreement, as the net credited service of the employee in the department. Net credited service shall mean continuous employment with the City beginning with the date and hour on which the employee began to work after last being hired, less deductions for leave of absence of unauthorized absences, plus paid sick time, plus the Armed Forces Service.

City employees entering the Escanaba Department of Public Safety after the effective date of this Agreement shall have their prior City service granted to them for fringe benefits only.

Command Unit seniority shall be defined as net credited service, as defined above, within the Command Unit. Seniority begins at the time of promotion or entry into the unit.

- B. Seniority shall be determined on a unit basis. In the event of layoff, the last unit employee laid off shall be the first unit employee recalled. Any unit employee laid off shall have the right to re-enter the PSO Unit, assuming that the laid off employee has more net credited service in the department than any one employee in the PSO Unit. The result being that the employee with the least amount of net credited service in the Public Safety Department would be laid off.

C. The Employer will post departmental and a unit seniority list annually. Public Safety Officers and Dispatchers will have a separate seniority list from the Command Unit.

D. 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 procedure set forth in the Agreement.
3. He is absent for three (3) consecutive working days without notifying the Employer. The Employer will send written notification to the employee at his last known address that he has lost his seniority and his employment has been terminated.

If the disposition made of any such case is not satisfactory, the matter may be referred to the grievance procedure.

4. If he does not return to work when recalled from layoff, as set forth in the recall procedure.

E. An employee who is injured while on duty shall continue to accumulate seniority during his absence due to such injury, and shall be reinstated upon recovery to his former position with full seniority rights, provided he is physically qualified to return to work.

F. In selecting employees for promotion from one Command Unit position to another Command Unit position, the Union and the City agrees that the below factors will be applied, considered and weighed. An employee shall not be eligible to apply for a promotion unless he or she has successfully completed a probationary period of not less than one year in the Command Unit.

1. Written Examination - 30 points (maximum)
2. Oral Examination - 30 points (maximum)
3. Service Rating - 30 points (maximum)
4. Departmental Seniority - 10 points (maximum: one (1) point for each year of service up to ten (10) years)

All employees shall be informed of the number of service points they have been giving at least seventy-two (72) hours prior to taking the written portion of the promotional examination.

An Oral Examination Board is hereby created, consisting of five (5) members, four (4) of whom shall be appointed by the Director of Public Safety and one (1) shall be appointed by the Union.

The Director of Public Safety shall select the person to be promoted from among the three (3) persons who have achieved the highest point total after the above enumerated factors have been applied.

Within five (5) work days of promotion being made, the Union shall have the absolute right to proceed to subparagraph (B) of Article IV, Grievance and Arbitration. The decision of the panel of arbitrators shall be final and binding on both parties with respect to promotions.

- G. A promotional exam for Uniform Sergeant will be available to Command Unit Employees and all Public Safety Officers, and Detectives with three (3) or more years of experience. A promotional exam for Detective Sergeant will be available to all Command Unit Employees, Public Safety Officers, and Detectives with three (3) or more years of experience. A promotional exam for Uniform Lieutenant or Detective Lieutenant shall be available to all Uniform Sergeants and Detective Sergeants. Uniform Lieutenants will be allowed to test for Detective Lieutenant and Detective Lieutenants will be allowed to test for uniform Lieutenant.
- H. Command Unit employees assigned to vacancies or new positions in the Command Unit 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.

ARTICLE IV 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.

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, and 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.

- B. The Grievant and the Steward of jurisdiction may attend the arbitration proceedings during their regular work hours without loss of pay. If however, the grievant has been terminated, the grievant shall not receive pay.
- C. 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.
- D. Under no circumstances will services be stopped, slowed or otherwise impaired while said proceedings are underway.
- E. By mutual agreement, mediation may be utilized as an intermediate step towards grievance resolution.

ARTICLE V WAGE AND PAY PERIODS

- A. Annual increments shall take effect on the first day of each fiscal year. A unit member 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.

No unit member 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.

- B. See Addendum #1 for Wage and Progression Schedule.

ARTICLE VI
HOLIDAYS

- A. Holiday Defined: Full holiday when used herein shall mean a full twenty-four (24) hours commencing at the start of the "day" shift of the holiday and ending at the end of the "night" shift of that same day. For example, the Christmas holiday would start at 7:00 a.m. on December 25th and end a 7:00 a.m. on December 26th.
- 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; providing however, that if either of these two days is vacation, PTO, sick leave, or an excused absence, it shall be accepted.

All employees shall be entitled to pay for holidays, subject to the conditions contained herein.

- C. The following holidays will be recognized:

New Years Day	January 1
Washington's Birthday	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
Employee's Birthday	Individual Birthdays

Holidays will be celebrated on the days listed above.

- D. Employees working holidays will be compensated as follows:

1. Work during regular shift: Pay at time and one-half (1-1/2 x base hourly rate) for hours worked, plus twelve (12) hours of holiday pay for full holiday.
2. Work "other" than during regular shift hours: Pay at double time and one-half (2-1/2 x base hourly rate), times the number of hours worked.
3. Employee not scheduled to work on holiday: An employee not scheduled to work on a holiday shall receive either pay for twelve (12) hours at the base hourly rate, or twelve (12) hours of compensatory time at the employee's option, but shall not be entitled to pay and compensatory time for the same holiday.

4. Unit members scheduled to work when there is sufficient manpower for the shift may request "holiday leave" which shall mean that the employee may be permitted to take the twelve (12) hour work day off for that scheduled day. This is at the direction of the shift supervisor.
5. When an employee birthday falls on a paid holiday, the employee's paid birth holiday will be the first non-holiday immediately prior to the birthday.
6. Detectives shall receive twelve hours at their regular rate of pay on holidays and they will not be scheduled to work on such holidays. In the event a holiday falls on a weekend, Detectives may be scheduled off on a day immediately prior to, or following, the weekend holiday. In the event a Detective is called in to work on a holiday, he or she will be paid according to the provision for call in pay on a holiday.

ARTICLE VII VACATIONS

Article VIIA and VII C-E Applies to employees hired prior to 9/1/2014, who have not elected to participate in the City's Paid Time Off (PTO) Plan. Employees hired on or after 9/1/2014, and employees hired prior to 9/1/2014, who have elected to participate in the PTO plan, should refer to Article VIII below.

- A. Vacation leave with pay will be granted to all permanent full-time employees who have completed one (1) year of City service; said vacation to be credited to the employee on each anniversary date of City employment.
- B. Vacation and PTO scheduling will incorporate three (3) annual scheduling periods. An employee will receive "guaranteed vacation" or guaranteed PTO if dates are selected between November 1st and November 15th. Such dates must occur between the following January 1st and April 30th. "Non-guaranteed" vacation or PTO dates must be selected between November 16th and November 30th and must occur between the following January 1st and April 30th.

Guaranteed vacation or PTO dates can also be selected between March 1st and March 15th and must occur between the following May 1st and August 31st. Non-guaranteed vacation or PTO dates will also be selected between March 16th and March 31st and must occur between the following May 1st and August 31st.

Guaranteed vacation or PTO dates can also be selected between July 1st and July 15th and must occur between the following September 1st and December 31st. Non-guaranteed vacation or PTO dates will also be selected between July 16th and July 31st and must occur between the following September 1st and December 31st.

Guaranteed vacation or PTO dates will be allotted by departmental seniority. Non guaranteed vacation or PTO will be allotted by departmental seniority, then on a "first come first serve" basis, when requested outside of the designated selection period.

Guaranteed vacation or PTO must be used on the dates selected. Non guaranteed vacation or PTO may be cancelled by the employee or by the employer.

Employees may not block off more vacation or PTO than they will have earned on the dates requested.

All parties agree that vacation and PTO time will not be granted during the Fair week.

The department is not required to grant vacation or PTO requests for less than 12 hours for non-detective employees. In all cases, except as provided for below, requests for a full 12 hour shift will take precedence over requests for partial shifts regardless of seniority.

After a "partial shift" vacation or PTO becomes posted on a two week schedule, it may be cancelled two or more weeks prior to its occurrence if any of the following take place:

- 1.) Another employee takes a full shift vacation, PTO, comp or sick day
- 2.) Training is scheduled

Within two weeks of the date of a partial shift vacation or PTO usage, said vacation or PTO usage shall not be cancelled for the above reasons.

C. Vacations with pay will be granted on the following schedule:

After one (1) full year of departmental service	48 hours
After two (2) full years of departmental service	88 hours
After five (5) full years of departmental service	128 hours
After ten (10) full years of departmental service	144 hours
After fifteen (15) full years of departmental service	168 hours
After twenty (20) full years of departmental service	208 hours
After twenty-five (25) full years of departmental service	224 hours
After thirty (30) full years of departmental service	240 hours

D. 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 City employment is declared to be the last date on which an employee worked a full shift.

- E. Employees may accrue vacation for a period not to exceed two (2) years vacation rights. If vacation is not used at that time, it will be lost to the employee. Additional vacation time may be accrued with special permission of the City Manager.

ARTICLE VIII
PAID TIME OFF (PTO)

APPLICABILITY: Employees hired on or after 9/1/2014 shall participate in the City's Paid Time Off (PTO) Plan. Employees hired prior to 9/1/2014 may voluntarily elect to participate in the PTO Plan by providing written notice to the Personnel Director prior to 10/1/2014. 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 their 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:

DATE GRANTED	HOURS
HIRE DATE	80
1 ST ANNIVERSARY	96
5 TH ANNIVERSARY	136
10 TH ANNIVERSARY	176

15 TH ANNIVERSARY	200
20 TH ANNIVERSARY	240
25 TH ANNIVERSARY	280

ARTICLE IX
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 such employee.

The department shall post two (2) two-week schedules in such a manner that the current schedule shall be accompanied by the succeeding two week schedule.

- B. The standard pay period for computing pay will begin at the start of the "day" shift, Sunday, and extend until the end of the "night" shift fourteen (14) days hence, averaging a forty-two (42) hour week or eighty-four (84) hour pay period.

Employees who are scheduled for mandatory training will receive pay for all time spent in training and suitable travel time. Days off may be changed for employees who are scheduled for mandatory training. The days off must be rescheduled within the same pay period in which the training is scheduled. The Public Safety Director shall determine which training is mandatory.

- C. Hourly employees working over twelve (12) hours in one day will be paid at a rate of time and one-half (1-1/2 x) of their regular hourly rate for the time worked over twelve (12) hours.

Command unit employees working in excess of seven (7) days and eighty-four (84) hours during a standard pay period of two (2) weeks, will be paid at a rate of time and one-half (1-1/2 x) of their regular hourly rates.

1. Detectives receive overtime pay at a rate of time and one half for all hours worked in excess of 40 in a work week. Management reserves the right to "flex" schedules.

For purposes of this section, the Detective Lieutenant shall be included in overtime pay.

Overtime pay for Detectives shall be in lieu of any and all compensatory time hereto accrued by Detectives for working overtime hours.

- D. The hours of work and specific shift assignment will be determined by the Department Head and any overtime shall be assigned as equally as possible.
- E. Shift differential shall be paid for all hours worked between 7:00 p.m. and 7:00 a.m., pursuant to Addendum 1 (Wage Schedule).
- F. A minimum of three (3) hours at time and one-half (1-1/2 x) shall be paid an employee who is called back to duty after having been released from the regular day's work or on days other than his scheduled work days. An employee called to duty shall be considered as being on duty for the full three (3) hours and another call within this three (3) hour period shall not entitle the employee to extra consideration beyond the time and one-half for actual time worked in excess of such three (3) hours.

An employee called out any time within three (3) hours of the start of his regularly scheduled shift shall receive pay at time and one-half (1-1/2 x) his base hourly rate for actual time worked.

- G. Employees not scheduled to work on the day upon which a holiday falls will be paid a minimum of three (3) hours at the holiday rate for responding to 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 three (3) hours at time and one-half (1-1/2x) for responding to calls during the regularly scheduled hours from which he was excused. A minimum of three (3) hours at the holiday rate shall be paid such employee for responding to calls before or after his regularly scheduled hours.
- H. Subject to the approval of the Director of Public Safety or his designated officer in charge, unit members shall be permitted to voluntarily trade work or leave days with other members of the department, subject to Department Head approval, upon notification to the Department Head or his designated officer in charge.
- I. Command Unit overtime that occurs outside of the normal schedule shall be offered to Command Unit members prior to being offered to non-Command Unit members. If there are no volunteers for such overtime, the employer shall order in the Command Unit member with the least amount of departmental seniority . If no Command Unit member can be obtained, the employer shall order in the PSO using the same criteria. The converse shall apply in the event members of the PSO bargaining unit are unavailable for call in. These provisions shall not apply to firefighting or emergency functions, in which case overtime shall be filled equitably among all department members. These provisions also do not apply to the selection of individuals for long-term or special assignments, i.e. UPSET or School Liaison.

ARTICLE X

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.

ARTICLE XI
HOSPITALIZATION –LIFE INSURANCE, DENTAL INSURANCE, PUBLIC
SAFETY OFFICERS PROFESSIONAL LIABILITY INSURANCE

- 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 SINGLE & CHILDREN	TIER 3 TWO PER.	TIER 4 FAMILY
EFFECTIVE 9/14/2014	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:
- (1) 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;
 - (2) 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;
 - (3) For each week on behalf of a participant who worked or is compensated for any portion of the contribution week;

- (4) 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 Employer.
- E. EMPLOYEE OPT OUT: Employees who have submitted an opt out application to M.C.T.W.F. 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.
- G. The City will provide Professional Liability Insurance as follows:
- \$1,000,000.00 with another \$1,000,000 as an "umbrella".

ARTICLE XII WORKER'S COMPENSATION

- A. All employees injured or incapacitated in the actual discharge of duty shall receive compensation and medical care, subject to the provisions of the Michigan Worker's Compensation Act. Subject to the limitations in subsection (B), the City shall pay the regular salary of the injured employee, less the legal rate of compensation provided in the Worker's Compensation Act.
- B. Such additional payment shall be known as Supplementary Worker's Compensation.

It shall apply:

1. From the date of injury and continue during the periods of incapacity, but not to exceed more than six (6) months of payment, whether said six (6) months is continuous or intermittent time off, for any one (1) personal injury.

It shall not apply:

1. In partial incapacitated cases when an employee refuses to accept limited duties, after certification for such duties by a physician.
 2. When an employee terminates, through death, retirement or other reason.
 3. When injury results from the employee's misconduct or negligence.
 4. When the employee's injury claim is disputed by the City through lack of visual evidence or other reasonable proof.
- C. The provisions of Section (A) and Section (B) are subject to the legal limitations, as provided for in the Michigan Worker's Compensation Act, as well as the City's authority to continue as a self-insured employer under Michigan Law.

ARTICLE XIII RETIREMENT

- A. All unit members will be covered by Act 345 and contributions thereto will be in accordance with appropriate State and Federal Laws. Pensions for members of the Escanaba Department of Public Safety will be provided for as follows:

Escanaba Public Safety Benefit Formula (Retirement)

For employees hired on or before 6/30/2011, the benefit formula shall be as follows: Three (3) year average final compensation times 3.0% times years of service to a maximum of twenty-five (25) years. Maximum benefit shall be 75%. Employees shall be permitted to retire at any age with twenty-five (25) years of service.

For employees hired on or after 7/1/2011, but before 7/1/2014, the defined benefit formula shall be as follows: Three (3) year average final compensation times 2.5% times years of service to a maximum of thirty (30) years. Maximum benefit shall be 75%. Employees shall be permitted to retire at age 55 with twenty-five (25) years of service.

Average final compensation is the average of the salaries 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.

Final average compensation will include unused sick leave, unused vacation leave, retirement bonus, unused personal leave, unused PTO up to a maximum of two years' allotment and prorated longevity pay paid at retirement per the provisions of this contract.

For employees hired on or before 6/30/2011, the City will provide for annual post-retirement benefit increases of 1.5% each year, computed on the existing benefit, for all retirees and beneficiaries, who have been retired one (1) full year as of the annual implementation date of January 1st.

For employees hired on or after 7/1/2011, but before 7/1/2014, the City will provide for annual post-retirement benefit increases of 1.0% each year, computed on the existing benefit, for all retirees and beneficiaries who have been retired one (1) full year as of the annual implementation date of January 1st.

In those situations where the retiree dies before reaching one (1) full year of retirement, the improved benefit would go into effect for the beneficiary (should one exist) at the same date it would have gone into effect for the retirees based on the amount the beneficiary is receiving. In those situations where the retiree dies after reaching the qualifying period, the increase will continue for each new year (January 1st) calculated on the amount the beneficiary is receiving.

In the event of non-service death of a vested member hired before 7/1/2014 (those with ten (10) or more years service), a surviving spouse, if there is one, will be entitled to retirement benefits in accordance with MCL 38.556 (1), (H), (I).

Members hired prior to 7/1/2014 contribute 5% of their wage to their Act 345 pension. The City is advised in March or April of each year of the City's obligation to said pension plan. In the event that the City's obligation shall increase over its current obligation of 6.83%, the members hired before 7/1/2014 shall contribute a total of 6% of their wage to the Act 345 pension commencing the following July 1st. If the City's obligation shall decrease below its current obligation of 6.83%, the contribution by the members hired prior to 7/1/2014 shall be decreased to 5% commencing the following July 1st of said notification.

Unit members hired on or after 7/1/2014 shall participate in a defined contribution retirement plan, and shall not participate in the defined benefit plan referenced above. The terms of the defined contribution plan are as follows: The employer shall make a mandatory contribution of ten (10) percent of a member's wages into the plan. Members shall make a mandatory contribution of six (6) percent of wages into the plan. In addition, members shall be permitted to make an elective contribution of up to four (4) percent of pay. The City reserves the right to utilize

either a 401(a) plan or a 457 plan of its choosing, or a combination thereof, for purposes of delivering a defined contribution plan.

- B. All employees who have ten (10) or more years of service and are eligible to retire with a pension, shall receive upon retirement, a wristwatch valued at an amount not to exceed \$75.00, including cost of engraving, or their service revolver, where applicable.
- C. Employees eligible for retirement shall receive the following retirement bonus:

<u>Yrs. of Service</u>	<u>Bonus Payment</u>	<u>Yrs. of Service</u>	<u>Bonus Payment</u>
20	\$100	30	\$325
21	\$120	31	\$350
22	\$140	32	\$375
23	\$160	33	\$400
24	\$180	34	\$425
25	\$200	35	\$450
26	\$225	36	\$500
27	\$250	37	\$550
28	\$275	38	\$600 Maximum
29	\$300		

- D. Unit members shall be allowed to "purchase" Military Service Time in the same manner as has been utilized in the past and in accord with Public Act 345. The employee purchasing such Military Service Time must also then retire within thirty (30) days of the purchase.

ARTICLE XIV
LONGEVITY PAY

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

<u>Years of Service</u>	<u>Not to Exceed</u>
After 5 years	\$100
After 10 years	\$200
After 15 years	\$300
After 20 years	\$400

ARTICLE XV
UNIFORMS, SHOES AND BOOTS

The City agrees to furnish and maintain the required uniforms of uniformed employees as in the past. Replacement of uniforms, boots, shoes and raincoats, etc., shall be on the salvage system, and old articles shall be turned in to the person designated by the director in order to receive replacement of these articles of clothing. The combined boot and shoe allowance shall be \$200.00 every two (2) years. Employees shall present either a bill for payment to the supplier or a receipt for reimbursement to the employer. The two (2) year periods are defined below:

July 2013– June 2015
July 2015 – June 2017

ARTICLE XVI 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 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.

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

Employees shall give notice of at least twenty-four (24) hours when requesting to use accrued compensatory time; however, a shift commander may grant time off for less than twelve (12) hours at his discretion, providing the efficient operation of the Public Safety Department will not be hindered by his so doing.

Any employee attending at any Court as a witness to facts or circumstances within the knowledge of such employee shall be compensated at two (2) hours at his overtime rate of pay, if such knowledge arises out of and in the course of such employee's employment.

ARTICLE XVII GENERAL PROVISIONS

- A. It is agreed by the parties to this Agreement that all Civil Service Rules, regulations, rights or obligations are superseded by this Agreement and that this Agreement will be the basis by which all matters pertaining to wages, hours and working conditions will be determined.
- B. For the purpose of job description and definition, the City's classification plan will be utilized.

- C. All existing administrative regulations governing City Policy will remain in effect and future administrative regulations may from time to time be adopted. Said regulations are not to conflict with the provisions of this Agreement.
- D. For new employees, the City retains the option of advancing increments based upon experience of the employee and City needs.
- E. 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.
- F. All employees governed by this Agreement will maintain a residence within twenty (20) miles from the corporate City Limits of the City of Escanaba.
- G. 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.
- H. It shall be expressly understood by both parties that this Contract may be revised, amended or otherwise altered, or effect changes in the existing contract language when mutually agreed upon by the union and the employer. "Mutually agreed" means actual agreement and shall not mean a resolution of disagreement through arbitration.

ARTICLE XVIII
MANAGEMENT RIGHTS

Except to the extent expressly abridged by specific provisions of this Agreement, the City reserves and retains, solely and exclusively, all of its common law rights to manage the affairs of the City, as such rights existed prior to the execution of this Agreement with the Union.

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 Michigan Home Rule Act.

ARTICLE XIX
TERM OF THIS AGREEMENT

The provisions of this Agreement and Addendum #1 thereto shall become effective as of July 1, 2014. This Agreement shall continue in full force and effect until midnight, June 30, 2017, and for successive annual periods thereafter, unless not more than one hundred fifty (150) days but at least one hundred twenty (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 change or amend, said notice shall have the effect of terminating this Agreement in its entirety, on the expiration date unless, the parties agree to an extension of the Agreement.

City of Escanaba
 Teamsters Local 406
 Command Unit Labor Agreement
 Addendum #1
 Wage Schedule
 Revised 8/21/2014

	<u>2013/2014</u>	<u>8/21/2014</u>	<u>7/1/2015</u>	<u>7/1/2016</u>
Uniform Sergeant Top Step	28.47	29.04	29.62	30.21
Uniform Sergeant 1st Step (1st year)	27.76	28.32	28.89	29.47
Uniform Lieutenant	30.05	30.65	31.26	31.89
Detective/Sergeant Top Step	30.05	30.65	31.26	31.89
Detective/Sergeant 1st Step (1st year)	29.31	29.90	30.50	31.11
Detective/Lieutenant	31.65	32.28	32.93	33.59
Shift Differential 7 p.m. – 7 a.m.	0.42	0.42	0.42	0.42