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AGREEMENT

BETWEEN

CITY OF SAULT STE MARIE

AND

UNITED STEELWORKERS, AFL-CIO•CLC

LOCAL UNION 13635-01

PUBLIC WORKS UNIT

JULY 1, 2008 through JUNE 30, 2011

Changes from prior Contract underlined yellow

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AGREEMENT WITH PUBLIC WORKS UNIT 2008-2011

THIS AGREEMENT, which shall become effective on July 1, 2008, by and between the CITY OF SAULT STE. MARIE, MICHIGAN, a MUNICIPAL CORPORATION OF THE STATE OF MICHIGAN, hereinafter called the "EMPLOYER", party of the first part, and the UNITED STEELWORKERS OF AMERICA, AFL-CIO, hereinafter called the "UNION", party of the second part, on behalf of **Local Union 13635-01**.

WITNESSETH:

WHEREAS, the parties hereto have reached an agreement for the purpose of facilitating the peaceful adjustment of differences that may arise from time to time and promoting harmony and efficiency to that end that the parties hereto may mutually benefit, the parties hereto covenant and agree as follows:

ARTICLE ONE

RECOGNITION

1.1 - EXCLUSIVE BARGAINING AGREEMENT: The Union shall be and is hereby recognized as the sole and exclusive collective bargaining agency for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment for the employees of one Employer as defined in this paragraph. The term "Employees", as used in this Agreement, shall be construed as meaning all employees of the Public Works Departments, but excluding, however, Supervisors, Deputy Department Heads or Ass't. Superintendents, Department Heads, Cemetery Superintendent, and Clerical employees; provided, further, that employees hired on a temporary basis shall not be included in the bargaining unit nor shall this Agreement apply to such employees.

1.2 - UNION MEMBERSHIP: It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on effective or execution date of this Agreement, whichever is the latter, shall remain members in good standing and those who are not members and who have completed their probation period on the effective or execution date of this Agreement, whichever is the latter, shall on the thirtieth

day following the effective or execution date, whichever is the latter, become and remain members of the Union in good standing.

It shall also be a condition of employment that the employees hired on or after the effective date of this Agreement, whichever is the latter, shall upon completion of probation become and remain members in good standing in the Union. An employee may fully comply with the membership requirements of the Section by the payment of a sum equal to that portion of the periodic dues which are used for collective bargaining purposes and fulfillment of the Union's obligations under this contract.

1.3 - LIST OF MEMBERS: The Union shall furnish the Employer with a list of the Union members as of this date and with the names of all new members within five days after they become affiliated with the Union.

1.4 - DUES DEDUCTION: The Employer, where so authorized and directed on a form marked "Exhibit A", hereto attached and made a part hereof, will deduct on the first payday of each month, the membership dues of the Union which include monthly dues and initiation fees in the amounts designated by the Union. Such amounts shall be remitted by check to the Treasurer of UNITED STEELWORKERS OF AMERICA, Five Gateway Center, Pittsburgh, PA 15222. The check shall be accompanied by a list of names setting forth the amount of dues, initiation fees, etc. deducted from each member. A copy of said list shall be sent to the Financial Secretary of the Local Union.

ARTICLE TWO

REPRESENTATION AND GRIEVANCE PROCEDURE

2.1 - NO STRIKES OR LOCKOUTS: During the term of this Agreement, or any extension thereof mutually agreed upon, there shall be no strikes, concerted failure to report for work, slowdowns, or other stoppages of work on the part of any employee covered by this agreement; and no lockouts on the part of the Employer.

Any employee who engages in any of the activities outlined above may be disciplined or discharged, as determined by the Employer. However, any dispute concerning whether an employee actually engaged in any such activities may be resolved under the

grievance procedure.

2.2 - LEGAL ACTION: In consideration of the mutual promises of the parties contained herein, the parties expressly agree that neither party will bring or cause to be brought, any court, legal, or administrative action against the other party until the dispute, claim, grievance, or complaint shall have been brought to the attention of the party against whom it shall be made and said party, after proper notice, fails to take proper steps to correct the circumstances giving rise to the dispute, claim, grievance, or complaint within a reasonable time.

2.3 - GRIEVANCE COMMITTEEMEN: For the purpose of effectively representing the employees coming within the jurisdiction of the Union and this Agreement, the Union shall select grievance committeemen as outlined below. The names of the grievance committeemen shall be furnished the Employer by the Union and the Employer agrees to recognize and deal with these representatives of the Union in settling grievances and in bargaining under this Agreement. All formal grievances shall be in writing at the first step and subsequent steps of grievance procedure.

2.4 - GRIEVANCE PROCEDURE: A grievance shall be defined as any dispute regarding the meaning, interpretation, application or alleged violation of the specific terms and provisions of this Agreement. A written grievance shall state (a) who is affected, (b) what happened, (c) when it happened, (d) where it happened, (e) what section of the contract has allegedly been violated, and (f) what adjustment is requested.

2.4 (a) - PUBLIC WORKS: Grievance procedure as to the Public Works Unit:

First: By the employee(s) and a committeeman with the employee's designated Supervisor.

Second: By the Committee and the City Manager.

2.5 - ARBITRATION: In the event that either party decides that further meetings in Section 2.4(a) above will not lead to a settlement of the grievance, either party may submit the grievance to arbitration as outlined hereafter.

Either party desiring to arbitrate will notify the other party

in writing setting forth the matter or matters to be arbitrated. No later than five days after receipt of a notice of a desire to arbitrate, the parties will meet for the purpose of choosing an arbitrator.

In the event the parties are unable to agree on the choice of an arbitrator, the Michigan Labor Mediation Board will be asked to choose one and hearings will begin as soon as they can be arranged.

A decision by the arbitrator that is within his authority will be final and binding on the parties hereto. The arbitrator shall not have power to add to, detract from, or alter any provision of the Agreement, but shall be limited to interpreting the specific terms and provisions of this Agreement. The expense of the arbitrator shall be borne equally by the parties.

2.6 - TIME FOR FILING GRIEVANCE: A grievance to be subject to consideration under the grievance procedure must be filed in writing in the first step not later than ten (10) working days after the date on which the matter(s) being grieved about actually occurred. If there is no specific date connected with the subject matter of the grievance, the grievance shall be filed as soon as the facts become evident to the grievant, or reasonably should have become evident to the grievant. Failure to meet this deadline will result in a waiver of the grievance or any of the subject matter being grieved about; and the right to grieve and pursue any remedy based on the said grievance shall forever be lost.

The City representative in step one above shall, in all cases, render his decision within seven (7) working days after discussion of the matter. The City Manager shall render a decision as soon as reasonably possible but not later than seven (7) working days after the last meeting with the Union. Failure to meet these deadlines will result in the grievance or complaint being awarded to the Union on the basis of the relief sought by the Union.

A grievance, in order to be referred to any higher step of the grievance procedure, must be appealed within ten (10) days of receipt of the answer in a prior step. Failure to appeal within the ten (10) days will render the latter appeal null and void.

The Employer will schedule a meeting in any higher step appeal

within ten (10) days or forfeit the grievance on the basis of the last stated remedy sought by the grievant(s).

The Employer may substitute a representative for the City Manager at any step of the grievance procedure.

Either party shall have twenty (20) days to refer a grievance to arbitration after the last meeting between the parties.

2.7 - GRIEVANCE DETAILS: It is agreed that a representative of the United Steelworkers of America may take part in the grievance procedure at any step. The Employer and Union agree to meet promptly and dispose of grievances. All meetings above shall be held as soon as possible after notice to the Employer.

The Public Works Unit committee shall be made up of one employee and the President of the Local Union. The affected Employee or one representative employee when more than one employee is affected may attend all steps of the grievance process.

2.8 - HANDLING OF GRIEVANCES: Employees or committeemen attending grievance meetings shall not be paid extra nor lose time while at such meetings.

The committee chairman in each unit (or in his absence, another committeeman) shall be permitted a reasonable amount of time to investigate or adjudicate grievances in his unit after reporting to his immediate supervisor as to his intent. The supervisor will not arbitrarily deny him such right, except it is understood that if there is necessity for his presence on the job, the committeemen will defer the grievance matters until a later time.

2.9 - MINUTES: The principals in any grievance meeting may keep such minutes as they deem necessary for their own use. Upon request by either party, no verbatim or electronic minutes shall be kept by either party.

ARTICLE THREE

DISCHARGE AND SUSPENSION

3.1 - DISCHARGE OR SUSPENSION OF AN EMPLOYEE: If the City Manager or his designated representative determines that an employee shall be suspended or discharged because of misconduct, failure to perform his/her duties properly and in accordance with

instructions, being intoxicated or drinking intoxicating beverages while at work, unreported absence from work for three days, or other reasons that are sufficiently important to justify the suspension or discharge of an employee, he shall notify such employee in writing, of the general reasons for his decisions and the date and the time the suspension or discharge is effective.

During the next five (5) days (Saturday, Sunday or holiday excepted), the discharged employee or the Union may request a hearing to review the action taken. Such hearing and review shall take place within five (5) days (Saturday, Sunday or holiday excepted) of such request. If, after review, the Union agrees with the Employer that the action was justified, the matter shall be dropped and no grievance filed. If, after review, the Employer concludes that the action was warranted but the union is unwilling to accept this decision, the Union may process the case further through the grievance procedure. If the Employer and the Union agree on some lesser disciplinary action, the employee shall not lose any seniority, but shall lose the amount of time as agreed upon.

ARTICLE FOUR

SENIORITY AND PROMOTIONS

4.1 - SENIORITY UNITS: The employees shall have seniority in the various jobs, as outlined below, for the purpose of layoff and recall, provided, however, in order to be retained or recalled, the employee shall have the ability, skill, training, and experience to qualify for the work. The jobs referred to above include all jobs in the Public Works Department and Pullar Community Building, which all shall be considered one unit for the purposes of this Agreement.

Prior to July 1, 1983, there shall be no interchange of seniority between jobs in the Public Works Unit and jobs in the Pullar Community Building. Effective as of July 1, 1983, members of the Department of Public Works and the Pullar Community Building shall begin accumulating seniority (for the purpose of layoff or recall), which seniority accumulated after this date, shall be interchangeable between jobs in either location.

Regardless of the seniority accumulated before or after July 1, 1983, all employees when a transfer is made, shall receive credit for total continuous City employment, for purposes of computing other benefits to which they are or may become entitled.

4.2 - TRANSFER OF UNITS: Employees laid off in one job because of lack of work or funds for that job, shall have preference in hiring in another job in the work which they can perform adequately, in the event of a vacancy in such other job in the Public Works Unit.

Employees laid off in the Public Works Unit because of lack of work or funds, shall have preference in hiring in another City Unit, in work which they can perform adequately, in the event of a vacancy in such other Unit.

Employees so hired shall not carry with them, seniority accumulated in the Public Works Unit from which transferred, but shall accumulate seniority from date of hire in the new Unit (Police Department, Fire Department, Clerical). Such employee, however, shall receive credit for total City employment for the purpose of computing other benefits to which they are or may become entitled.

4.3(A) - PROBATIONARY EMPLOYEES NEW OR TRANSFERRED AND RETURN TO FORMER JOB: New employees in the Public Works Unit, shall be on probation for a period of six (6) consecutive calendar months, before they accrue seniority rights, and the right to release such employees, shall be vested exclusively in the Employer, without regard to other provisions of this Agreement; provided however, employees retained in employment for a period of less than six (6) months, and who are later hired as permanent employees, shall be given credit for consecutive employment in computing the six (6) months if they are severed from the payroll under conditions other than those listed in the following section.

Probationary employees retained in excess of the periods outlined above, shall have seniority from the date of hire, in the Public Works Unit.

Existing Employees who, for any reason, have transferred to a different job in this unit shall be on probation for a period of 45 calendar days. At any time during this 45 days either the Employer

for cause or the Employee with or without cause, may require the Employee to return to the job the Employee held immediately prior to the transfer (known as the "former job"). If the decision to return to the former job was made by the employee, with or without cause, then that employee is prohibited for 2 years, from the date of return to his former job, of posting or bidding to the job he vacated.

When an employee who has bid or bumped into a job is returned to his former job, all employees affected by the return shall also be returned to the jobs they formerly held.

4.3(B) - SPECIAL BUMPING RULES WHEN EMPLOYEE FAILS A TEST OR CERTIFICATION: Section 4.3(A) above shall not apply if an employee is returned to a "former job" because he or she has failed a required test; failed to acquire a required certification; or failed to acquire a required license. This Employee is herein called the "Primary Employee". "Former job" under this section means a job actually held in the unit by the employee and for which the employee had completed all probationary requirements.

(1) The primary employee shall upon such failure bump to his or her immediate preceding "former job" if the primary employee's seniority exceeds the seniority of the person then holding the former job. If the primary employee does not have sufficient seniority to return to his former job then he or she must bump the employee in the next most recent former job. This procedure repeats until the primary employee finds a former job held by a less senior employee. If none of the primary employee's former jobs are held by less senior employees then he or she may bump any less senior employee in the unit but shall be required to pass any probationary requirements for the position.

(2) Any of the employees displaced by the primary employee's return to a "former job" must follow the same procedures the primary employee must follow in section 1 above. This bumping process shall continue in this fashion as needed. The primary employees vacated position shall not be posted until all necessary bumping under section 4.3(B) is completed.

4.4 - LOSS OF SENIORITY: Employees shall loose seniority when they

have been off work due to illness or injury for five years notwithstanding the Employee's receipt of pay or benefits from the Employer under any sick leave, disability, or workers compensation program or coverage. Employees shall also lose seniority through a voluntary quit, discharge which is considered for good cause hereunder, after a layoff which extends beyond a two (2) year period or for failure to contact the Employer within ten (10) days after receiving written notice of a request to return to work from a layoff or to arrange satisfactory terms to return to work.

4.5 - POSTING OF VACANCY: Subject to the restrictions and requirements of Section 4.3(A), (B), 4.10, and 9.6, in the event of a permanent vacancy, a notice shall be posted on the bulletin boards for three (3) full working days. The notice shall set forth the standard work requirements of the job, standard qualifications and the rate of pay. During this period, applications will be received and from these applications the vacancy will be filled if any applicant is qualified and eligible under section 4.3(A), (B), 4.10, and 9.6, or would be qualified after a reasonable training period. Preference will be given the employee on the basis of seniority.

The rate of pay during any training period hereunder will be the employee's regular rate of pay or the rate for the job applied for, whichever is less.

The employer shall award the bid on the fourth day and transfer the successful applicant to the new job, or the employer may hold the applicant in the old job. If held in the old job the applicant shall be paid at the applicable new job rate until the actual transfer occurs. There shall be no compensation for lost overtime opportunities as a result of holding the applicant in the old job.

After the transfer occurs the posting notice shall not again be used to fill the vacancy. If for any reason the position becomes vacant a new posting shall occur.

4.5B - SPECIAL ROUND TABLE POSTING, BIDDING, AND BUMPING PROCEDURES: In certain situations it may be more efficient to conduct postings, vacancy filling, and reductions in force by using

an alternate round table meeting to accomplish all the transfers in a single meeting. On mutual agreement the parties may use this procedure. The meeting to fill the vacancies or bump less senior employees would be held at a time agreed to by the Union and Employer and would be held only upon a minimum of 10 days notice posted in the same location as any other vacancy is posted. All unit employees would be eligible to attend the meeting. No Employee would be paid for time attending unless the meeting occurs during their regular scheduled work hours. Employees may bid or bump by proxy. The proxy may be held by any person designated by the Employee as their agent. The proxy must be in writing and copies must be delivered to the Union President and the Public Works Director at least 24 hours before the time of the meeting to be effective. Employees who select a position at the meeting will not be allowed to change their selection after the meeting adjourns.

4.6 - SUPERVISORY PROMOTIONS: The Employer shall have the right to choose employees from the bargaining unit to act as Foreman on a temporary basis. The employee so chosen shall have the right to return to the bargaining unit and to his former job with accumulated seniority when no longer in such position.

4.7 - RETURN TO BARGAINING UNIT: Employees of the Public Works promoted to Supervisory positions which are other than temporary shall, if no longer needed in such positions or no longer desiring such position, be allowed to return to the bargaining unit under the following conditions: The employee shall retain seniority accumulated while in the unit for a period of two years from the date of such promotion. In the event the employee is returned to the bargaining unit during the two year period, he will be first returned to the job from which he was promoted, provided there are then employees in such job with less seniority. If the employee's seniority level will not permit his return to this former job, he will be permitted to choose another job to which his seniority entitled him and for which he can qualify.

If the employee returns to the bargaining unit after the two year period, he shall have forfeited seniority privileges for such matters as promotion, transfers, and bumping rights, etc. However,

for such matters as vacation accumulation, pension, and sick leave credits, etc., full credit for time continuously served with the Employer shall be acknowledged.

4.8 - LAYOFF: When it is necessary to reduce the number of employees in any job classification, the employee or employees with the least seniority shall be relieved of their jobs. These employees shall then have the right to displace or bump another employee in the same unit having less seniority than the bumping employee. To be eligible to bump into a job classification, the bumping employee must be capable of adequately performing the work involved in that job in a trial period which will be not in excess of three (3) days in the labor classification, with an additional three (3) days allowed for each job-rate step above the labor classification. Job-rate steps shall be determined by listing the classification above labor rate in the order of pay-rate steps. Where annual salaries apply, an hourly rate shall be computed and related to the nearest hourly rated job-rate step to determine the number of days in a trial period, unless a specific trial period is stated.

Employees who are displaced from a job by the above procedure or laid off from a job because of lack of work or funds, shall be given an opportunity to return to the job from which bumped or laid off when the first subsequent vacancy occurs in that job classification. However, any employee who waives his right to return at the first vacancy shall forfeit any later right to return under this procedure.

Except as required under section 9.6, when an employee who bids or bumps into a job is disqualified and returns to his former job, all employees affected by the return shall also be returned to the jobs they formerly held.

4.9 - TIE IN SENIORITY: When a tie in seniority occurs, the employee eldest in age will be given seniority preference.

4.10 - REMAINING ON DUTY IN SEWAGE PLANT OR PUMPING STATION: Any employee in the Water Pumping Station or Sewage Treatment Plant, who takes his position through new hire or bid, shall take no other Unit position with the Employer for one (1) year after the Employee

is fully certified upon completion of training.

ARTICLE FIVE

WAGES, HOURS AND WORKING CONDITIONS

5.1 - WORK WEEK: There is hereby recognized a normal eight (8) hour day, five (5) day week of forty (40) hours in the Public Works Unit.

(a) In the Street, Water Department group, the work week of forty (40) hours shall be worked within the period of Monday through Saturday of each week. While it is understood that work schedules for individual employees may be varied in this period, the work week of individual employees shall consist of five (5) consecutive days.

(b) The Water Filtration Plant and the Waste Water Treatment Plant employees shall work a week of 5 eight hour days and each employee shall work forty (40) hours during the 5 days.

(c) In the Pullar Building, the work week shall consist of five (5) eight (8) hour days which shall be worked in the work week of Monday through Sunday. Employees in the Pullar Building shall not have their shifts split during the day.

5.2 - OVERTIME: Overtime: All hours worked in excess of eight (8) hours in any one work day or forty (40) in any work week shall be at time and one-half pay. Notwithstanding any clause contained in this contract double time will not be paid for any hours worked after the date of ratification of the 2001 contract. Both daily and weekly overtime shall not be paid for the same overtime hours.

Employees shall not be required to take time off to offset overtime worked.

Overtime shall be divided as equally as is generally possible under the terms of this agreement among the available qualified employees by calling out the employee with the fewest overtime hours. Overtime computation for the purpose of equalization shall be yearly.

City and Union representatives in each department will determine the job classifications (or groups of jobs) and the types

of overtime work to be included in the equalization procedures. The City will be required to attempt equalized overtime distribution on this basis insofar as is practicable and consistent with good management and safe operation.

It is understood that the City cannot assure the equalization of overtime as of any particular date or within any particular period.

An employee who believes that he is not receiving an equal share of overtime in his classification may file a grievance under the normal procedures.

Every two weeks the City shall post two sign up sheets, one for employees that will be available for overtime and one for those who will not be available to work. Those signing the "will not be available list" will not be called but will be charged for all overtime hours worked as if refused. However, they will not be charged a "refusal" for the purposes of penalty as stated in the following paragraph.

An employee who "refuses" four offers of overtime work will not again be offered an opportunity to work overtime for 30 days. At that point, he shall submit a written notice to the City that he is willing to work overtime. The employee will be notified when he has four "refusals" for the purpose of this provision. When an employee is reinstated, he shall, at that point, be considered to be equal to the employee with the most overtime hours worked. A reinstated employee that "refuses" overtime four more times within a 12 month rolling period will be removed from the overtime equalization list for a period of one year from the date of dismissal from the list. However, such notice shall not relieve the employee of the obligation to work overtime when the Employer has determined that the needs of the City are not being satisfied by those employees volunteering for overtime work.

When enough employees are not obtained on a voluntary basis, then employees in the affected job classification within a unit shall accept the assignment in reverse order of seniority.

Overtime records will be posted daily on the central bulletin board in the department. Records will be kept of overtime worked

and overtime "refused." At the end of each calendar quarter, Management and the Union will review the distribution of overtime under this agreement.

Employees new to a department shall be considered equal to the average employee overtime in his group or classification for purposes of overtime distribution.

In cases such as sickness, injury, leave of absence, military encampment, or vacation each employee shall be credited with the average amount of overtime worked by employees in his department for the period of time absent.

Whenever overtime is refused for any reason, the amount of overtime refused will be counted as time worked for the purpose of overtime equalization. Refusals will be designated with an "R".

5.3 - CALL-PAY: Employees reporting for work or called in on an emergency assignment shall receive not less than two hours pay for reporting provided they are not notified before not to report. This provision shall not apply to employees who receive regular standby pay for being "on-call". Employees "on-call" will receive \$280.00 for any week in which they are subject to call in addition to their regular pay. All hours worked while on call shall be paid for in accordance with this Agreement and shall be in addition to the \$280.00. When an employee assigned to "on-call" duty desires to be temporarily relieved of such duty for a specific period, he shall make arrangements for another qualified employee to replace him for that period. When an employee assigned to "on-call" duty is called in to work, he/she may work up to four hours (call man may stay out after four hours if one or more other people are working and longer than eight hours if entire available crew is working) before being required to call in the low qualified overtime employee to finish the job. The 4 hours worked by the "on-call" employee shall not result in a violation of Section 5.2 of the contract. If the on-call employee works over 5 hours on the particular job called to perform then the employer will pay the aggrieved employee who was not called to work pay from the 4 hour mark. It is intended that the fifth hour if worked by the employee "on-call" will be a grace period to allow for errors in judgement

as to how long the job being performed would take to complete. All employees shall be allowed to sign up each year for "on-call" duty, which duty shall be rotated between them.

5.4 - SIZE OF WORK FORCE: The fact that the normal work week is established at forty (40) hours does not, in itself, guarantee forty (40) hours of work. Work requirements and City finances shall determine the number of employees retained on the job. However, any reduction in force necessary shall be accomplished in accordance with Section 1, Article IV hereof.

5.5 - TEMPORARY TRANSFER: The Employer, subject to section 5.11, shall have the right to temporarily transfer employees from one job classification to another job classification within the Public Works Unit, to cover for employees who are absent from work due to illness, accident, vacations, or leave of absence, and to fill temporary jobs or temporary vacancies, and to take care of unusual conditions or situations which may arise. It is understood and agreed that any employee within the Public Works Unit, temporarily transferred in accordance with the provisions of this section, shall not acquire any permanent title or right to the job to which he or she is temporarily transferred, but shall retain his or her seniority in the permanent classification from which he or she was transferred.

An employee temporarily transferred to a higher rated position, shall receive the higher rate, and an employee temporarily transferred to a lower rated position, for the convenience or advantage of the Employer, shall receive his or her regular pay. It is understood that the application of this section to jobs in the Pullar Community Building is qualified, and that the Union recognizes that the Pullar Community Building number of employees is small, and is a certain amount of interchange of duties is normal, and will not necessarily require a change in the rate of pay.

5.6 - LIST OF RATES: The stewards and committeemen shall be furnished a list of the employee's rates and classifications and any further changes related thereto.

5.7 - WORK BY SUPERVISORS: No employee who is excluded from the

bargaining unit, including Supervisors at any level in any department, shall perform any work (except for negligible amounts) normally performed by the employees in the unit except in an emergency or in the instruction of employees. This clause shall not apply to Cemetery Superintendent when working in the Cemetery, nor to temporary labor excluded from the unit. The work performed by Supervisors (except Cemetery Superintendent) shall not be used to erode the size of the bargaining unit or eliminate regular or normal overtime.

5.8 - WAGE SCHEDULE: The Wage Schedule, marked "**Exhibit B**", hereto attached and made a part hereof shall be effective as indicated in said schedule, and shall continue in effect until modified according to this Agreement. Wage rates for new occupations shall be established by the City, who shall then immediately notify the Union. If the Union disagrees, a grievance may be filed with the City Manager within five (5) working days.

5.9 - HOLIDAYS: The following shall be recognized as holidays: New Year's Day, Memorial Day, Good Friday, Independence Day, Labor Day, Thanksgiving Day and Christmas Day (or days celebrated therefore), Veterans Day (Fire), the Day after Thanksgiving (Public Works), and to each employee, his birthday. Employees shall receive a holiday allowance of eight (8) hours straight time pay for each of the holidays if no work is performed thereon. Hours worked on a holiday shall be compensated for by payment of time and one-half in addition to the holiday allowance. If hours worked on a holiday exceed eight (8) hours, double time will be paid for those hours which exceed eight (8) hours.

When a holiday falls on Saturday, it may be celebrated on Friday, in which case the employees will work Monday through Thursday and receive pay for five (5) days.

5.10 - SUBCONTRACTING: It is the intent of the City government to utilize its own forces for major projects wherever feasible; however, the Employer shall have the right to subcontract that work which, in its judgement, it does not have the manpower, proper equipment, capacity or ability to perform or cannot perform on an efficient basis. If subcontracting does occur which would result

in layoffs of unit employees, the Employer agrees to so notify the Union 45 days in advance of subcontractor award. The Employer will, upon request of the Union, meet with the Union for the purpose of discussing the implications of such actions, and the availability of alternatives to such action.

5.11 - TEMPORARY TRANSFER IN EXCESS OF 30 DAYS: The Employer will select the Employee to be transferred. If there is a lower senior qualified Employee who could immediately perform all the duties of the job without training then the selected Employee may refuse the transfer provided the lower senior Employee could be transferred without, in the sole opinion of the Employer, negative impact on the operations of the division in which the lower senior Employee works. This selection process would then repeat for the lower senior Employee. This procedure shall only be used for temporary transfers expected by the Employer in its sole judgment to exceed 30 days at the time of the initial transfer.

5.12 - SAFETY GLASSES: The Employer will pay for all glasses broken, scratched, or defaced during the course of employment excepting in those instances when said destruction was either intentional or involved gross negligence on the part of the employee. Glasses replaced will be of similar value as those broken.

ARTICLE SIX

VACATIONS

6.1 - LENGTH OF VACATIONS: Vacations shall be granted as follows:

After one (1) year continuous service - two (2) weeks with pay.

After seven (7) years continuous service - three (3) weeks with pay.

After fourteen (14) years continuous service - four (4) weeks with pay.

After twenty (20) years continuous service - five (5) weeks with pay.

After twenty-five (25) years continuous service - six (6) weeks with pay.

6.2 - VACATION SCHEDULE: Vacation schedules shall be established by the Employer each year and the Employer shall respect the

requests of the employees as to time of vacation insofar as the needs of the service will permit. Preference as to time will be based on seniority. Employees will give adequate notice when requesting vacation time of less than one week duration and shall provide at least 7 days written notice for vacation requests of one week or more. (The Employer may waive this requirement and accept shorter notice.) The Employer shall inform the employee in two working days of disapproval of the vacation request. An employee called back from vacation time will receive credit of the vacation time during the week in the same manner as though he had been at work for the purpose of computing overtime.

6.3 - ACCUMULATION OF VACATIONS: Vacation time will not be permitted to accumulate from year to year; provided, however, if an employee is prevented from taking his vacation at any time during the year due to an emergency in the work, the employee may take his vacation at any time during the next year subject to provision of Section 2 of this Article.

6.4 - HOLIDAY DURING VACATION: If a holiday which is recognized under this Agreement falls during an employee's vacation, he shall be entitled to an extra day's vacation on that account.

6.5 - TIME FOR VACATION PAY: Upon two (2) weeks notice, employees will be given their full vacation pay, or a part thereof if they do not request the full amount, at the beginning of their vacation. When vacation requested on short notice is granted and unusual circumstances indicate a necessity, every effort will be made to provide the vacation pay in advance even though the two weeks notice is not given.

ARTICLE SEVEN

LEAVE TIME

7.1 - SICK LEAVE: Employees of the Employer in the service for one (1) year or more shall be entitled to annual sick leave with pay of ten (10) days per year with the provision that sick leave may be accumulated up to one hundred twenty (120) days.

Employees absent from work for any reason shall notify the Employer in advance of the employee's shift so that a replacement can be arranged for if the Employer determines that such

replacement is necessary. Habitual disregard of this call-in procedure will result in the employee involved being deprived of sick leave pay for such absence, or other disciplinary action. The Employer may request a doctor's certificate covering any sick leave which extends beyond five (5) days or in any instance when the Employer has reason to believe that the sick leave benefit is being abused.

If individual employees establish a pattern of questionable sick leave requests for shorter periods of time, they may be required to produce satisfactory evidence that the sick leave requests were legitimate.

Hours paid for under this Agreement shall be used in computation of hours worked for the purpose of computing hours over eight (8) or over forty (40) in a day or week respectively.

7.1 (A) - Employees may use up to five (5) days of the annual allocation for illness of any immediate family member. These days shall not accumulate. Immediate family members shall mean those as defined in Section 7.4.

7.1 (B) - Effective for the calendar year 1995, the Employer shall pay in a lump sum payment the amount equal to one week base pay to any employee who uses 32 hours or less of sick leave in the calendar year. No payments shall be made for accumulated sick leave prior to January 1, 1995.

7.2 - WORKER'S DISABILITY: An employee who is prevented from working because of a compensable injury or illness will be permitted to draw sick leave pay in such amount that the combination of workman's compensation and sick leave pay will equal the employee's regular pay for a normal work week until accumulated sick leave is exhausted.

If payment of compensation results in the employee's receiving an amount in excess of his normal earnings for a normal week, or part thereof, he shall promptly reimburse the Employer for such amount in excess of normal pay.

If sick leave has been charged against an employee's accumulation, he shall be re-credited with accumulated sick leave equal to the amount of compensation or pay returned to the

Employer.

7.3 - JURY OR WITNESS DUTY: Any employee called on jury duty or witness duty shall be compensated by the Employer as follows: The Employer shall pay the difference between the amount paid the employee as jury duty pay, or witness duty pay, and his regular pay. Regular pay shall be understood to mean the employee's regular rate of pay based on forty (40) hours.

If the jury duty coincides with a scheduled work day of the employee but not the shift scheduled to be worked on that day, then the hours scheduled to work shall be changed so as to allow the jury duty to be reasonably accommodated. At the end of jury service each day the employee shall report to work for the remaining time of the employee's scheduled shift.

Employees shall furnish satisfactory proof of jury duty, or witness duty, if called upon to do so.

No pay for jury duty, or witness duty, shall be due if the employee performs such duty while on vacation for which he receives vacation pay.

7.4 - FUNERAL LEAVE: When a death occurs in an employee's immediate family, he shall be allowed three (3) days off with pay, one of which shall be the day of the funeral, with pay at his regular rate. It is understood that the three (3) days will be three (3) consecutive working days, even though the three (3) days may be interrupted by scheduled days off.

For the purpose of this Section, immediate family shall be understood to mean husband, wife, parents, sisters, brothers, children, grandchildren, parents-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, grandparents of the employee or other relative if this relative was living in the employee's household as a member of the regular family unit.

The funeral leave pay is intended to protect the employee against loss of pay in any period of bereavement and no funeral leave pay will be due if the employee is receiving vacation pay on any day on which funeral leave pay would otherwise be due or if, because of distance or other reason, the employee does not attend the funeral.

7.5 - CHANGE OF SHIFTS: Public works employees will be permitted to change shifts and/or days off with permission of the Supervisor in charge of the appropriate department, with the understanding that the overtime waiver system now in effect may be applied, if applicable.

ARTICLE EIGHT

INSURANCE AND PENSIONS

8.1 - BENEFITS: The Employer shall continue to provide benefits under the Municipal Employees Retirement System under the B-3 Plan. Conversion of the Unit from B-2 to B-3 shall occur July 1, 2000. The present F-55/30 MERS Rider was converted to the F-50/25 Rider on June 30, 1995.

The Employee pension contribution shall be increased on 7/1/00 (from 3% on the first \$4,200.00 of gross pay and 5% on balance of annual gross pay) to 5.68%/7.68%.

For all employees the pension shall be calculated based upon the salary or wages paid to the employee by the city as defined in the MERS plan document. This includes only overtime pay, pay for periods of absence from work by reason of vacation, holidays, sickness, call pay under section 5.3, and lump sum payments for unused vacation accrued at time of retirement. Salary and wages does not include such things as: long and short term disability insurance payments, workers compensation, allowances for clothing, travel, bonuses (such as payments under sections 7.1B, 8.2(a), (b), (c)), termination pay, payments for unused sick leave, and the value of fringe benefits including payments for opting out of or not fully utilizing the health insurance plan.

8.2(a) - HEALTH INSURANCE: The parties agree to have hospital, medical, health, and surgical insurance for all employees and their dependents provided under section 8.2(c) as determined by the SPECIAL HEALTH DETERMINING COMMITTEE. An alternative equivalent hospitalization program may be instituted by the Employer. The Union reserves the right to subject the question of "equivalent" to an independent third party for evaluation. The parties agree that ever increasing health insurance premiums are placing substantial additional financial burden upon the Employer. In an effort to

stabilize these costs, or in fact to reduce same, the Union agrees that it will constructively and cooperatively work with the Employer to investigate and, when practicable, may mutually agree to implement alternative methods of providing a reasonable alternative health care program or insurance package.

Notwithstanding any other section of this contract the total Employer cost for health insurance shall not exceed \$1,175.00 For a family plan, or \$867.00 For a two person plan, or \$835.00 For adult with children plan, or \$460.00 For a single plan . Once this cap has been reached the excess amount per month shall be paid 50% by the Employer and the other 50% shall be deducted from future payments to the Public Employee Investment Fund. Once this cap has been reached either party may re-open negotiations upon the issue of health insurance.

The employer, except as required by law, shall not be obligated to pay any portion of an Employee's life or health insurance premiums after the employee has exhausted accumulated vacation and sick leave pay. Receipt by an Employee of either: (1) workers compensation benefits; or, (2) long or short term disability benefits (hereafter collectively called "disability benefits") shall not be considered sick leave pay. An employee must draw weekly from their accumulated vacation and sick leave benefits a supplement to any "disability benefits". The draw must be in a weekly amount equal to the difference between any "disability benefits" and the Employee's regular pay (based upon a normal scheduled work week) so as to evenly deplete accrued vacation and sick leave during the period of Employer payments toward health and life insurance premiums.

8.2(b) - LEAVING HEALTH PROGRAM: Beginning on July 1, 1999 the Employer agrees to pay any existing employee not fully utilizing the family or two person benefit the equivalent in cash, excepting that the maximum payment shall be the difference between the family rate and single rate. An existing employee is defined as a person hired prior to the date of July 1, 1998. No Employee shall be paid under this paragraph after JUNE 30, 2009.

Should two City employees be or become married to each other,

then one employee shall receive two person or family coverage whichever is appropriate, and the other employee shall receive coverage as a family member under that employees policy. The employees may determine which union bargaining unit health plan to be covered under. No extra payment shall be made to any employee who is subject to this paragraph except those employees being paid as of July 1, 2006. Such employee payments shall end on June 30, 2009.

Any employee who elects not to utilize the employer provided Health Insurance Program, and who signs a written agreement to remain out of the system for three years, shall receive monthly the higher of the monthly amount: (i) published in the city personnel policies; (ii) \$450.00, (iii) or such monthly amount as is paid to any other group.

No employee who is eligible for a two person or family plan may elect a single subscriber plan and be paid the difference from a family plan except those employees being paid as of July 1, 2006. Such employee payments shall end on June 30, 2009.

In the event of an emergency claimed by an employee who has elected to not utilize the coverage, the Employer will review the written waiver and allow the employee, upon good cause shown, to re-enter the coverage system.

Any payments made under this section by the Employer may at the option of the Employer be paid in cash or as an annuity.

8.2(c) SPECIAL HEALTH DETERMINING COMMITTEE:

This section shall not become operative until five of the City union organized bargaining units are participating in the health committee program. Each employee of the unit as measured on November 1, 2005 shall be paid \$1,000.00 upon execution of this 2004-2008 contract, and an additional \$1,000.00 when the 5th bargaining unit is participating in this program or on June 30, 2008 whichever is earlier. This \$2,000.00 amount shall not be included in final average compensation.

When the total cost of health coverage (including dental, orthodontic, optical, hearing, prescription, hospitalization, or any other medical related coverage) exceeds \$1,175.00 For a family

plan, or **\$867.00** For a two person plan, or **\$835.00** For adult with children plan, or **\$460.00** For a single plan (hereafter called the threshold cost) then the Insurance Committee defined below shall meet to modify the total health benefits package to reduce the cost of the total package to a level below: **\$1,175.00** For a family plan, and **\$867.00** For a two person plan, and **\$835.00** For adult with children plan, and **\$460.00** For a single plan. (Hereafter called the target cost).

Notwithstanding total cost of health coverage the Committee shall also meet at the request of the Manager or any Union to determine coverages and plans.

The committee may select different plans, coverages, providers, networks, increase deductibles, increase co-pays, or otherwise change or eliminate any component to reduce the cost of the benefits to the target cost. The committee shall consider HSA and HRA savings plans and shall set the Employer contribution to such plans so long as the total employer cost including the HSA or HRA contribution is within the target cost.

The health coverage benefits will be determined on a participant wide basis (excluding the Housing Commission and Library) and shall be consistent among all participating City employees regardless of bargaining unit membership or affiliation.

The determining Committee shall be composed of the following voting members: 1 member from each participating bargaining unit, 1 member from the City Department Heads, 1 member from the City non bargaining unit employees, the City Manager, and City Attorney.

The Committee final determination shall be implemented as soon as practicable in each bargaining unit (regardless of the language or duration of any labor contract) and for the non bargaining unit employees as to: Health coverage (including dental, orthodontic, optical, hearing, prescription, hospitalization, or any other medical related coverage) with all plan features and costs; Flexible spending account; HRA or HSA with all features and costs.

The committee shall not determine any payments due employees under the terms of this contract for opting out of the City Health Insurance Program.

Until the committee's final determination is made or until determined by the arbitrator the coverages shall remain in effect as in existence prior to the costs exceeding the threshold. If the committee fails to recommend a plan or the recommended plan is not implemented within nine months the matter shall be submitted to binding arbitration and the arbitrator shall determine the coverage changes to bring the costs down to the target cost. Until the new plan is implemented any employee required contribution to premium shall continue.

8.3 - LIFE INSURANCE: The Employer will furnish and pay for \$20,000 in term life insurance with double indemnity in case of accidental death or dismemberment for all employees. This amount shall be decreased to \$10,000 for those who retire during the term of this contract. Retired employees will be kept in the active group.

8.4 - DENTAL INSURANCE: 8.4 - DENTAL INSURANCE: To be determined under sections 8.2(a) and 8.2(c). An employee who elects not to utilize the employer provided Health Insurance Program, and who signs a written agreement to remain out of the system for three years, shall continue to be covered under the city dental insurance so long as the dental insurance is purchased by the city as a separate coverage and not as part of any broader coverage that includes benefits other than dental coverage.

8.5 - VISION INSURANCE: To be determined under sections 8.2(a) and 8.2(c).

8.6 - AUDIO COVERAGE: To be determined under sections 8.2(a) and 8.2(c).

8.7 - SHORT AND LONG TERM DISABILITY COVERAGE: As soon as practicable after the ratification of the 2001 Labor agreement the Employer shall provide short term disability benefits with first day accident and eighth day sickness for maximum duration of 13 weeks at 70% of salary base. As soon as practicable after the ratification of the 2001 Labor agreement the Employer shall provide long term disability benefits with a ninety day elimination period for maximum duration of five years own occupation and age sixty five for defined total disability all occupations at 66 2/3% of

salary base. Both benefits shall be subject to pre-existing condition special qualifications.

8.8 PUBLIC EMPLOYEE HEALTH CARE INVESTMENT FUND: Under the provisions of the "Public Employee Health Care Fund Investment Act" being P.A. 149 of 1999 as amended from time to time, the Employer shall establish a trust fund for the purposes stated in the Act. The funds placed into the trust under the terms of this contract shall be accounted for separately for the fire fighter and public works unit members. The trust fund shall be managed by an Investment Fiduciary Board. Contributions annually to the fund shall be paid by the Employer. The amount paid shall be per employee (based upon the number of employees at the date of payment): \$1,339.00 on 7/1/2008; \$1,372.00 on 7/1/2009; and \$1,406.00 on 7/1/2010. (The formula used to calculate these rates was 3.5% of light equipment operator annual base pay.) The Employer shall deposit the amounts for each Fiscal Years at the beginning of each fiscal year. The parties to this agreement agree to meet and negotiate during the term of this contract upon the terms of the various resolutions required by the Act. The fund shall pay toward the purchase of health insurance the amount determined by the Investment Fiduciary Board from time to time. No payment shall be made for any month that the employee does not purchase their health insurance.

8.9 - ONE TIME PEHP ADJUSTMENT: The Employer shall pay on execution of the 2004-2008 contract the amount which has been deducted from the PEHP deposits over the life of the immediately preceding labor contract as a result of the premium cap of section 8.2(a) to the section 8.8 fund.

ARTICLE NINE

MISCELLANEOUS

9.1 - NO DISCRIMINATION: There shall be no discrimination or job patronage - further the Employer and Union agree that there shall be no discrimination on account of color, creed, sex, religion or national origin in the administration of this contract or in the

hiring policies of the City. The Union further agrees to accept for membership all employees hired by the Employer and will not exclude or expel any person because of race, color, creed, sex or national origin.

9.2 - BULLETIN BOARDS: The City shall provide employee bulletin boards where any individual or group of employees may post notices providing they are not commercial notices, personal or defamatory in character.

9.3 - MILITARY SERVICE: An employee who enters the Armed Service of the Nation or is drafted to participate in the National Defense Program will be returned to his position within six (6) months of his honorable discharge or termination of such service (applies to first enlistment only) and be entitled to accumulated rights provided under applicable federal and state laws.

Personnel in the National Guard shall be permitted to attend annual encampment. Such personnel shall be paid the difference between their normal weekly salary and the National Guard weekly salary.

9.4 - MISCELLANEOUS PROVISIONS: The employees shall be furnished lockers and the Employer shall continue to provide all necessary devices to insure the reasonable comfort and safety of the employees while at work. The Employer will continue to keep on hand an adequate supply of coveralls, boots, gloves and such other protective equipment as has been customarily issued to employees. A room shall be furnished at the Pullar Building for the exclusive use of the employees to keep personal clothing and possessions in.

The Employer will provide coveralls for all greasy or dirty work at the Water Pumphouse.

An employee in the Public Works Unit requested or required to work overtime in excess of two (2) hours immediately following his regular shift shall be furnished an adequate lunch at the Employer's expense. The food may be either delivered to the work site or the employee may be released from the work site. Meal reimbursement may not exceed \$5.00 and must be accompanied by a receipt from the restaurant. Under unusual circumstances, or when overtime is lengthy and arduous, the Supervisor, at his discretion

may exceed this limitation.

9.5 - MANAGEMENT RIGHTS: All rights to manage the City and to direct the work force are vested exclusively in the Employer, including but not limited to, the right to hire, to establish reasonable rules and procedures, the right to determine the hours (including the necessity for overtime work), daily schedule and work assignments of employees, the right to determine the acceptable quality standards, the right to establish new jobs and eliminate existing jobs, the right to determine when a need exists for the layoff or recall of employees and the right to determine the qualifications which shall be contained within the job description. The Employer shall also have the exclusive right to determine the means, methods and processes used in operations. The foregoing enumeration of rights is not intended to be all inclusive, but indicates the type of matters arising which belong to and are inherent to management and shall not be deemed to exclude other rights of the Employer not specifically set forth but established by law, Charter, Ordinance or other action by City Council. However, the Employer acknowledges that such rights have been limited by the provisions of this Agreement, and therefore, agrees to exercise such rights in such a fashion as not to violate the specific terms and provisions of this agreement.

The Employer shall have the right to formulate rules and regulations from time to time as deemed necessary. When a rule is to be effected, it will be posted and a copy given the Union.

The Union shall have ten (10) days in which to protest through the grievance procedure any rule which it disagrees with. No rule or regulation shall be made which in any way violates or negates any provision of the Agreement.

9.6 - LICENSE, TESTING, AND TRAINING PROGRAM: The Union recognizes that the complexities of the jobs in the Waste Water Treatment Plant, Water Filtration Plant, Water Distribution Department, and the Mechanics positions controlled by this contract require a trained and properly licensed work force. To advance these requirements the Employer may set minimum license requirements for these jobs at the time they are posted and bid. If a job was posted

as requiring a license the employee awarded the job shall as soon as eligible under the applicable testing guidelines take the test for the required license. If the employee fails the test he or she shall have the right to take the next test offered. Failure to pass the test and acquire the license in this time period shall result in the employee being returned to his former position and the employee shall be prohibited from posting to "this position" in the future for 10 years after the second failure of the test measured from the date the test results were published. Bumping shall then be conducted under section 4.3(B).

If the employee subsequent to his or her removal from the job passes the test and holds the required license in good standing for this position then the employee may bid on this position even if the posting occurs during the 10 years.

The license required by the employer shall not exceed the minimum level offered by the applicable license issuing body, unless a higher level license is required by law or regulation. In the event a higher level license is so required then the posting shall contain it as a requirement for the job.

The employer may mandate training as it deems necessary from time to time for all its positions.

To post under Section 4.5 to the position of:

(A) WWTP MAINTENANCE the applicant must have within the immediate seven years at least 5 years prior experience working in a waste water treatment plant class B facility or higher, and for postings after 6-30-04 a minimum of waste water operators state license level D.

(B) WTP CHIEF OPERATOR the applicant must have within the immediate seven years at least 5 years prior experience working in a water treatment plant class F-1 facility and for postings after 6-30-04 a minimum of water treatment operators state license level F-4.

(C) WATER DISTRIBUTION TECHNICIAN the applicant must have within the immediate seven years at least 5 years prior experience

working in a water distribution system for a municipality (other than as a meter reader), and for postings after 6-30-04 a minimum of water treatment operators state license level S-4.

9.7 - SICK LEAVE PAY ON RETIREMENT: An employee, upon retirement, shall be entitled to be paid for one-half of unused sick leave or to the employee's beneficiary of record at the time of death except the maximum of pay shall be for thirty (30) days.

9.8 - CONTROLLING LAW: In the event that any provision of this Agreement shall be in conflict with any provision of Federal or State Law or the City Charter, now or hereinafter enacted, such provision shall not be binding on the parties or remain valid but the remaining portions of the Agreement shall remain in full force and effect.

9.9 - HEADINGS: The various Article and Section headings set forth herein are for the convenience of the parties and shall not be used in the interpretation of this Agreement.

9.10 - ENTIRE AGREEMENT: This Agreement contains the complete agreement between the parties hereto and no additions, deletions, or amendments shall be effective unless agreed to in writing.

9.11 - WORK WEEK: The Employer may initiate, in conjunction with the Union, an alternative work schedule for Public Works employees which would allow for a four (4) day, ten (10) hour per day, weekly work cycle. Either party may request termination of said program, and said program will be terminated within fourteen (14) days of receipt of notice.

9.12 - WORK FORCE: Employees in the Cemetery and any other Public Works division may be interchanged at the Employer's discretion. Should there be a reduction in the authorized strength at the Cemetery, Public Works personnel will be assigned by the Employer to assist in the burial at the Cemetery. The City Manager will designate those departments which will provide the necessary assistance, and said assignments will then be made on a weekly basis.

9.13 - CLOTHING ALLOWANCE: During fiscal year 1995 as soon as practicable after the signing of this contract, the Employer shall

pay a one time clothing allowance of \$200.00 to each Employee.

9.14 - NO LAY OFF CLAUSE: No unit member may be laid off before July 1, 2007.

9.15 - RESIDENCY REQUIRED DISTANCE: Consistent with the requirements of MCL 15.602 all employees hired on or after July 1, 2008 shall, as a condition prerequisite to continued employment, reside within 20 miles of the nearest boundary of the City of Sault Ste. Marie Michigan (hereafter called the principal residence zone). Principal residence shall be defined as that term is used for the principal residence tax exemption under MCL 211.7dd.

Employees hired before July 1, 2008 who resides outside of this principal residence zone shall register their principal residence location with the City before July 1, 2014. Failure of such employee to register requires that the employee have their principal residence inside the zone. Employees who register and reside outside the zone may continue to have their principal residence outside the zone but not at a distance beyond the location of their principal residence as it existed on June 30, 2014. Employees outside the zone who subsequently move into the zone shall thereafter remain inside the zone.

LETTER OF AGREEMENT 98-I

The Union will, upon request of Employer, discuss using state, federal, local and volunteer work programs by the City.

The Employer may after consulting with the Union utilize (i) Student training co-operative programs; and (2) Other youth, prison, and jail labor programs (to the extent used on 7/1/98) for the purposes of performing bargaining unit work.

LETTER OF AGREEMENT 98-II

Effective with the beginning date of the contract, July 1, 1998, the following modifications to contract language are agreed upon between the City and the Union.

A. Employees chosen to act as Group Leader "A"

shall receive \$1.75 per hour above their regular rates during the time they are selected to fill this function.

B. Employees chosen to act as Group Leader "B" shall receive \$.30 per hour above their regular rate during the time they are selected to fill this function.

The Employer may select and designate Group Leaders "A" or "B" as deemed necessary by the Employer. Group Leader "A" will assist management in the following ways:

- Shall serve as a departmental leader for the operation of facilities, systems, and equipment in the absence of a supervisor
- Direct the work force as is necessary
- Provide general supervision
- Assist in the preparation of payroll and other day to day issues as is required
- Will handle other supervisory assignments as directed by the supervisor

Group Leader "A" will not be responsible for the preparation of any mandatory state reports and will not be required to take disciplinary action on bargaining unit employees.

It is the intent of the Employer to use, at its discretion, the Group Leader "A" designation in only those Public Works departments that do not have full-time supervisory positions. In the event that both the supervisor and the Group Leader "A" are on vacation, sick and/or out of town attending a conference for the entire shift, it is management's intention to designate another employee as Group Leader "A" for that department. Group Leader "B" pay will not be paid to the same employee when Group Leader "A" is being paid. When both Group Leader "A" and the supervisor are

absent from work for the entire shift, the Group Leader "A" pay will be paid to another employee so designated by the Employer in accordance with this Letter of Agreement.

Group Leader "B" will be used at the discretion of the Employer when it is necessary to have additional supervision for specific projects or specific functions.

IN WITNESS WHEREOF, the parties hereto have set their signatures on this 28th day of May, 2009.

United Steelworkers AFL-CIO

Leo W. Gerard
Leo W. Gerard, President

Stanley W. Johnson
Stanley W. Johnson, Secretary-Treasurer

Thomas Conway
Thomas Conway, Vice President

Fred Redmond
Fred Redmond, V.P. Human Affairs

Michael Bolton
Michael Bolton, Director D2

Arthur Firby
Arthur Firby, Staff Representative

[Signature]

Don Bell

William Kellie

City of Sault Ste. Marie

[Signature]

[Signature]

[Signature]

THIS AGREEMENT shall be effective as of JULY 1, 2008 and shall continue in effect until JUNE 30, 2011 and shall automatically renew itself for annual periods unless either party notifies the other party not less than 120 days prior to JUNE 30, 2011 or any subsequent annual expiration date of a desire to modify or terminate the Agreement. In the event of such notice, the parties agree to meet within 15 days to commence negotiations.

Notice shall be by registered mail and if by the employer to be sent to the United Steelworker AFL-CIO, Suite 10, 503 Euclid, Bay City, Michigan, 48706; with a copy to the local union, and if by the union to City of Sault Ste. Marie, 325 Court St., Sault Ste. Marie, 49783.

INSERT WAGE SCALES HERE

WAGE SCHEDULE FOR EMPLOYEES

JOB	JUL 1 2003	JUL 1 2004	JUL 1 2005	JUL 1 2006	JUL 1 2007
ASS'T PARKS & REC	\$16.81	\$17.48	\$18.18	\$18.91	\$19.67
WWTP OPERATOR	\$17.20	\$17.89	\$18.60	\$19.35	\$20.12
WWTP LAB TECH	\$17.20	\$17.89	\$18.60	\$19.35	\$20.12
WWTP MAINTANCE	\$17.58	\$18.28	\$19.01	\$19.77	\$20.56
WTP CHIEF OPERATOR	\$17.58	\$18.28	\$19.01	\$19.77	\$20.56
WTP OPERATOR	\$17.20	\$17.89	\$18.60	\$19.35	\$20.12
HEAVY EQUIPMENT	\$16.62	\$17.29	\$17.98	\$18.70	\$19.45
HEAD METER PERSON WTP	\$16.62	\$17.29	\$17.98	\$18.70	\$19.45
MECHANIC	\$16.62	\$17.29	\$17.98	\$18.70	\$19.45
PIPEFITTER WTP	\$16.45	\$17.10	\$17.79	\$18.50	\$19.24
WATER DISTRIBUTION TECH	\$17.58	\$18.28	\$19.02	\$19.78	\$20.57
WATER METER REPAIR	\$16.45	\$17.10	\$17.79	\$18.50	\$19.24
METER READER WTP	\$16.36	\$17.01	\$17.69	\$18.40	\$19.14
ASS'T CEMETARY	\$16.36	\$17.01	\$17.69	\$18.40	\$19.14
FORM SETTER CARPENTER	\$16.19	\$16.84	\$17.52	\$18.22	\$18.95
PAINT SHOP LEADER	\$16.62	\$17.29	\$17.98	\$18.70	\$19.45
SEWER CREW LEADER	\$16.02	\$16.66	\$17.33	\$18.02	\$18.74
LIGHT EQUIPMENT	\$15.72	\$16.35	\$17.00	\$17.68	\$18.39
MAINTENCE PERSON	\$15.72	\$16.35	\$17.00	\$17.68	\$18.39
CUSTODIAN	\$15.28	\$15.89	\$16.52	\$17.18	\$17.87
LABORER	\$15.16	\$15.77	\$16.40	\$17.06	\$17.74
STOCK & TIMEKEEPER	\$40,834.52	\$42,467.90	\$44,166.62	\$45,933.28	\$47,770.61
MISCELLANEOUS					
CRANE OPERATOR	\$17.20	\$17.89	\$18.60	\$19.35	\$20.12
WING GRADER	\$17.20	\$17.89	\$18.60	\$19.35	\$20.12
LAYING SEWER PIPE	\$16.45	\$17.10	\$17.79	\$18.50	\$19.24

WAGE SCHEDULE FOR EMPLOYEES

JUL 1 2008 JULY 1 2009 JULY 1 2010

\$19.67	\$20.16	\$20.66			
\$20.12	\$20.63	\$21.14			
\$20.12	\$20.63	\$21.14			
\$20.56	\$21.08	\$21.60			
\$20.56	\$21.08	\$21.60			
\$20.12	\$20.63	\$21.14			
\$19.45	\$19.93	\$20.43			
\$19.45	\$19.93	\$20.43			
\$19.45	\$19.93	\$20.43			
\$19.24	\$19.72	\$20.21			
\$20.57	\$21.08	\$21.61			
\$19.24	\$19.72	\$20.21			
\$19.14	\$19.61	\$20.11			
\$19.14	\$19.61	\$20.11			
\$18.95	\$19.42	\$19.90			
\$19.45	\$19.93	\$20.43			
\$18.74	\$19.21	\$19.69	2008 PEHP	2009PEHP	2010 PEHP
\$18.39	\$18.85	\$19.32	\$1,338.52	\$1,371.98	\$1,406.28
\$18.39	\$18.85	\$19.32			
\$17.87	\$18.32	\$18.78			
\$17.74	\$18.18	\$18.64			
\$47,770.61	\$48,964.88	\$50,189.00			

HEAVY EQUIPMENT OPERATOR WAGE SHALL BE PAID WHEN EMPLOYEES OF A LOWER CLASSIFICATION ARE OPERATING THE BACKHOE, DRAG BLADE OR LOADER.

LIGHT EQUIPMENT OPERATOR WAGE SHALL BE PAID WHEN EMPLOYEES OF A LOWER CLASSIFICATION ARE OPERATING: SIGN SHOP ASST, HOLDER TRACTOR, SALT CONVEYOR, RAKER ASPHALT PATCHING, INSECTICIDE, CHAINSAW, BUCKET TRUCK, FORM SETTER, VACTOR ASST, BOILER ASST, TRAILER MOUNTED PRESSURE WASHER.

\$20.12	\$20.63	\$21.14
\$20.12	\$20.63	\$21.14
\$19.24	\$19.72	\$20.21

PULLAR CUSTODIAN TO BE PAID AT MAINTENCE RATE IN SUMMER WHEN WORKING IN PARKS DEPARTMENT

For WWTP and WTP operator, beginning pay rate equals Meter Reader WTP; after 3 months, Pipefitter; after 6 months, Heavy Equipment; after fully certified or trained (at least 9 months) then WWTP or WTP Operator. However:

(1) if the employee posting to the vacancy of either of these positions was being paid in their previous job at a rate higher than any of the steps above then they shall receive the previous job's rate until the step rate increase exceeds their previous job rate or;

(2) if the previous job's rate exceeds the rate for WWTP or WTP operator then they shall receive WWTP or WTP operator pay during this probation period.

Employees taken from the regular day shift and assigned an afternoon shift shall receive 20 cents above regular rate and employees assigned a night shift shall receive an additional 30 cents per hour.

Mechanics will receive a 25 cent per hour tool allowance.

Employees doing bridge repair work other than routine maintenance shall receive 25 cents per hour in addition to their regular pay.

Employees engaged in thawing frozen water mains or leads shall be paid equivalent to WWTP Operator.