



City of Petoskey

Agenda

CITY COUNCIL

June 24, 2019

Special Meeting

1. Call to Order – **5:30 P.M.** - City Hall Council Chambers
2. Recitation - Pledge of Allegiance to the Flag of the United States of America
3. Roll Call
4. Closed Session – Adoption of a proposed resolution that would authorize to recess to a closed session, pursuant to Section 8(c) of the Michigan Open Meetings Act, to consider strategy and negotiations of a collective bargaining agreement
5. New Business – Adoption of a proposed resolution that would authorize the City Manager to execute the Teamsters State, County and Municipal Workers Local 214 agreement
6. Adjournment



City of Petoskey

Agenda Memo

BOARD: City Council

MEETING DATE: June 24, 2019

PREPARED: June 20, 2019

AGENDA SUBJECT: Consideration to Approve a Resolution Authorizing a Closed Session Pursuant to Section 8(c) of the Michigan Open Meetings Act

RECOMMENDATION: That the City Council adopt this proposed resolution

City Council will be asked to adopt the enclosed proposed resolution that would authorize to recess to a closed session pursuant to Section 8(c) of the Michigan Open Meetings Act, to consider strategy and negotiations of a collective bargaining agreement.

sb
Enclosure



City of Petoskey

Resolution

WHEREAS, the City Manager has requested that the City Council recess to a closed session, pursuant to Section 8(c) of the Michigan Open Meetings Act, to consider strategy and negotiations of a collective bargaining agreement, at the City Council's special meeting of June 24, 2019:

NOW, THEREFORE, BE IT RESOLVED that the City Council does and hereby authorizes to recess to a closed session, to consider strategy and negotiations of a collective bargaining agreement.



BOARD: City Council

MEETING DATE: June 24, 2019 @ 5:30 P.M. **PREPARED:** June 20, 2019

AGENDA SUBJECT: Collective Bargaining Agreement for Teamsters State, County and Municipal Workers Local 214

RECOMMENDATION: That the City Council discuss and adopt the proposed resolution

Background After months of negotiations, union members of Teamsters State, County and Municipal Workers Local 214 have ratified the enclosed contract for the proposed period of June 24, 2019 through March 31, 2022. City Council will be asked to approve the enclosed resolution adopting the new collective bargaining agreement.

Agreement highlights are as follows:

Section 2.1 Hours of Work – Added the language *“except that the Water and Waste Water Department work week shall consist of seven (7) days, commencing on Sunday and ending on Saturday.*

Section 3.1 Vacation Eligibility – Added the last paragraph, *“Employees shall be permitted to carry over up to 40 hours of vacation time to the subsequent calendar year. All carry over vacation hours must be used during the subsequent calendar year.”*

Section 6.4 Safety Devices – Increased the annual payment to employees for safety gear and costs of obtaining a CDL from \$200 to \$250.

Section 6.11A Linemen Training Program – Entirely new section regarding reimbursement to the City of the costs of the linemen training program if employee fails to complete the course or if employee fails to remain with the City for 5 years after completion of the linemen training program.

Section 8.3 Term of Agreement – The agreement shall remain in effect until March 31, 2022.

Schedule A Wages

- For Journeyman Lineman, wages reflect hourly increases of \$5.00 for 2019-2020, \$2.00 for 2020-2021 and \$1.00 for 2021-2022, in addition to annual adjustments of 3.5% for 2019-2020, 1.5% for 2020-2021, and 1.75% for 2021-2022. This will bring their wage rate more in line with what other Journeyman Lineman are making throughout northern Michigan.
- Public Works Crew Leader – Electric shall receive a premium of \$2.00/hour over journeyman wages.
- All other employees shall receive wage increases of 3.5% for 2019-2020, 1.5% for 2020-2021, and 1.75% for 2021-2022.

Added the following language:

Public Works Crewleaders shall receive hourly pay rates set at ten percent (10%) more than the then-current Step 5 pay rate within their functional areas for the term of this agreement, except that the Electric Public Works Crewleader shall receive \$2.00/hour over the rate for a Journeyman Lineman.

Apprentice Linemen enrolled in the program upon implementation of this Agreement that receive a current wage that is higher than the wage scale applicable to their step shall maintain their current wage rate until they reach a step (or annual increase) that pays a higher wage than their current rate of pay.

The current wages and steps shall be used as the base wage for any increase in subsequent years.

Action That City Council motion to adopt the enclosed resolution approving a collective bargaining agreement for Teamsters State, County and Municipal Workers Local 214.

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Enclosures



City of Petoskey

Resolution

WHEREAS, certain Department of Public Works unionized staff members are represented by the Teamsters State, County and Municipal Workers Local 214; and

WHEREAS, City and bargaining unit representatives negotiated provisions of a proposed agreement for full-time Public Works staff members; and

WHEREAS, the City Manager now has reported that a tentative agreement has been reached with the full-time Teamsters State, County and Municipal Workers Local 214 for the period of June 24, 2019 through March 31, 2022:

NOW, THEREFORE, BE IT RESOLVED that the City Manager be and is hereby directed to execute on behalf of the City an employment agreement with full-time Department of Public Works staff members who are represented by the Teamsters State, County and Municipal Workers Local 214.

AGREEMENT

between

CITY OF PETOSKEY
(Covering Certain Department of Public Works Employees)

and

**TEAMSTERS STATE, COUNTY AND MUNICIPAL
WORKERS LOCAL 214**

For the period _____, 2019 through March 31, 2022
(Effective on Date of Ratification by Both Parties)

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PREAMBLE

This agreement is effective on June ____, 2019, by and between the City of Petoskey, a Michigan municipal corporation, of 101 East Lake Street, Petoskey, Michigan 49770, (hereinafter referred to as the "City") and Teamsters State, County and Municipal Workers Local 214, a voluntary, unincorporated labor organization, of 2801 Trumbull Avenue, Detroit, Michigan 48216 (hereinafter referred to as the "Union"), on behalf of staff members of the City's Department of Public Works collective-bargaining unit (hereinafter referred to as "employees").

In preparing this agreement, as when preparing past agreements, all parties continued to be desirous of preventing disputes in the workplace and of achieving a mutual understanding with respect to wages, working conditions, and hours of work for the City, and facilitating peaceful adjustments of grievances that might arise from time to time between the City and its employees, and of promoting and improving peaceful relations between the parties.

ARTICLE 1 - UNION RECOGNITION

Section 1.1. Exclusive Bargaining Representative - The City recognizes and acknowledges that the Union is the exclusive representative in collective bargaining with the City for those employees that are covered by this agreement, which include the Department of Public Works job classifications of Public Works Equipment Operator, Public Works Mechanic, Public Works Technician, and Public Works Crewleader.

Section 1.2. Extra Contract Agreements - The City agrees not to violate the Michigan Public Employment Relations Act, Michigan Compiled Laws 423.211, by entering into any agreement with another labor organization during the life of this agreement with respect to the employees covered by this agreement; or any agreement or contract with said employees, individually or collectively, which in any way conflicts with the Union's right of exclusive representation of the

collective bargaining unit. The Steward and alternate will serve as part of the collective bargaining committee without loss of time or pay during regular work hours.

Section 1.3. Representation Obligation - Membership in the Union is not compulsory. Regular employees have the right to join, not join, maintain, or drop their memberships in the Union as they see fit. Neither party shall exert any pressure on or discriminate against any employees concerning such matters. Membership in the Union is separate, apart, and distinct from the assumption by an employee's obligation to the extent that the employee received equal benefits. The Union is required under this agreement to represent all of the employees in the bargaining unit fairly and equally without regard to whether or not an employee is a member of the Union. The terms of this agreement shall be made for all employees in the bargaining unit and not only for members in the Union, and this agreement has been executed by the City after it has satisfied itself that the Union is the choice of a majority of the employees in the bargaining unit.

Section 1.4. Dues Checkoff - The City agrees to deduct from the pay of all employees all dues and initiation fees of the Union, and pay such amounts deducted to the Union for each and every employee, provided, however, that the Union presents to the City authorizations signed by the employees that allow such deductions from the pay of employees and payments to the Union.

Section 1.5. Dues - For present regular employees, payments of Union dues shall commence thirty-one (31) days following the effective date of this agreement; and for new employees, the payments shall start thirty-one (31) days following the date of employment. If any such provision of this Section is invalid under Federal law or the laws of the State of Michigan, such provision shall be modified to comply with the requirements of such laws or shall be renegotiated for the purposes of adequate replacement.

In the event of court action of any kind taken against the City because of compliance with this Section, the Union will defend the City indemnify the City, and render the City harmless from any and all actions and settlement of litigation including reasonable costs and attorney fees.

Section 1.6. Probationary Employees - New employees covered by this agreement shall be on a probationary status for the first two (2) years of employment. Upon completion of the employee's probationary period, the employee shall be placed on the seniority list, and such seniority shall commence from the date of hire.

Probationary employees may be laid off or dismissed without recourse to the grievance procedure. The Union will be given notice of the termination of a probationary employee.

This probationary period shall not affect the probationary employee's eligibility for any and all benefits, with such eligibility beginning immediately upon the effective date of hire and not at the conclusion of the probationary period.

Section 1.7. Union Access - The City agrees that it will allow the proper accredited representative of the Union access to any City-owned facility at any time for the purpose of policing the terms and conditions of this agreement. The Union shall have the right to examine time sheets and any other records pertaining to the computation of compensation of any employee whose pay is in dispute or any other records of the City, other than personal records, that pertain to a specific grievance.

Section 1.8. Union Activities - Any employee, as a member of the Union, and acting in any official Union capacity whatsoever, shall not be discriminated against for the employee's acts as such officer of the Union so long as such acts do not interfere with the conduct of the City's operations nor shall there be any discrimination against any employee because of Union membership or activities.

Section 1.9. Posting of Union Materials and Notices - The City agrees to allow the posting

of notices of Union meetings and other legitimate Union materials by an elected or appointed official of the Union.

Section 1.10. No Strike, No Lockout - No employee, Union member, or other agent of the Union shall be empowered to call or cause any strike, slow-down, walk-out, or cessation of work as prohibited under provisions of Public Act 379 of the Public Acts of Michigan of 1965, and the Union shall not be liable for any such action. The City agrees not to lock out its employees.

It is further agreed that in all cases of any unionized strike, slow-down, walk-out, or any unauthorized cessation of work, the Union shall not be liable for damages resulting from such unauthorized acts of its members.

The Union shall undertake every reasonable means to induce such employees to return to their jobs during any such unauthorized strike, slow-down, walk-out, or cessation of work. During the term of this agreement, the parties agree to allow an employee to submit the issue of whether the employee engaged in a strike, slow-down, work stoppage, or cessation of work to the grievance and arbitration procedures. The arbitrator's jurisdiction will be limited to the issue of whether the employee engaged in the strike, slow-down, work stoppage, or cessation of work, and the arbitrator shall not have power to modify the penalty imposed by the City.

Section 1.11. Picket Lines - It shall not be a violation of this agreement, and it shall not be cause for discharge or disciplinary action in the event that an employee refuses to enter upon any property involved in a primary labor dispute, or refuses to go through or to work behind any primary picket line, including the primary picket line of the Union that is party to this agreement and including primary picket lines at the City's places of operation. Provided that this section shall not apply to employees that are required to perform any routine or emergency City-provided services to the premises of any constituent of the City or any utility customer of the City. Such employees may request assistance from law enforcement officials. Within five (5) working days of filing of a grievance claiming violation of this Section, the parties to this agreement shall proceed

to the final step of the grievance procedure, without taking any intermediate steps, and other provisions of this agreement to the contrary notwithstanding.

Section 1.12. Steward and Alternate - The City recognizes the right of the Union membership to elect one (1) job Steward and one (1) alternate from the bargaining unit's membership. The authority of the job Steward and the alternate so elected by the Union shall be limited to and shall not exceed duties and activities that include the investigation and presentation of grievances with the City or the designated City representative in accordance with provisions of this agreement; collection of dues when authorized by appropriate Union action, transmission of such messages and information that shall originate with and that are authorized by the Union or its officers, provided that such messages and information have been reduced to writing or, if not reduced to writing, are of a routine nature and do not involve a strike, slow-down, walk-out, cessation of work, or any other interference with the City's operations.

The job Steward and the alternate have no authority to take strike action, or any other action interrupting the City's operations. The City recognizes these limitations upon the authority of the Steward and the alternate and shall not hold the Union liable for any unauthorized acts. The City in so recognizing such limitation shall have the authority to impose proper discipline, including discharge, in the event that the Steward or the alternate have taken unauthorized action in or for a strike, slow-down, walk-out, or cessation of work in violation of this agreement.

The Steward shall be permitted reasonable time to investigate, present, and process grievances on the City's property without loss of time or pay during regular working hours. Such time spent in handling grievances during regular working hours shall be considered working hours in computing daily and/or weekly overtime if within the regular schedule of the Steward.

The elected Steward, or the alternate in the absence of the Steward, may investigate and present complaints during working hours, provided that this does not disrupt work and that such time has been approved by the Director of Public Works or the Director's designee.

Section 1.13. Seniority - The City shall post a list of employees arranged in order of their seniority. This list shall be posted in a conspicuous position at the place of employment. Shift preference shall be by seniority, excluding, however, shift workers. The City shall use seniority when assigning work within a classification and within a functional division of the department except that an employee initially assigned to a task will be allowed to complete that task or assignment. Seniority shall be broken immediately upon discharge, voluntary quit, or retirement; after a period of two (2) years in cases of layoffs; or as provided in Section 1.14.

An employee in a classification subject to the jurisdiction of the Union who has been in the past or will in the future be reassigned to a supervisory position and is thereafter transferred to a classification subject to the jurisdiction of the Union shall not accumulate seniority while working in a supervisory position. The employee who is so transferred to a classification subject to the jurisdiction of the Union shall commence work in a job generally similar to the one that the employee held at the time of the employee's assignment to a supervisory position and shall maintain the seniority rank that the employee had at the time of the employee's assignment to the supervisory position.

It is further understood that no temporary demotions in supervisory positions will be made during a temporary layoff of employees.

Section 1.14. Layoff and Recall - Seniority shall prevail in the layoff and rehire of employees; however, an employee with less seniority may be retained if a more-senior employee does not have the present ability and/or experience to perform the preponderance of the remaining work.

In reducing the work force because of a lack of work or other legitimate cause, the last employee hired shall be the first employee laid off and the last employee laid off shall be the first employee rehired.

In the event of a layoff, an employee so laid off shall be given two (2) weeks' notice of recall to work mailed to the employee's last known address. In the event that the employee fails to

report for work at the end of said two (2) weeks, the employee shall lose all seniority rights under this agreement. Exceptions may be made due to unusual circumstances beyond the control of the employee.

The Steward shall be granted super-seniority for the purposes of layoff and recall.

Section 1.15. Discipline and Discharge - Discipline and discharge shall be for just cause. Unless circumstances warrant otherwise, the City will endeavor to give at least one (1) written warning to an employee, with a copy to the Union Steward, prior to applying the discharge penalty. Maintenance of disciplinary records within the personnel files shall be in accordance with the Michigan Employee Right to Know Act. Disciplinary records will be expunged after two (2) years.

The City agrees with the principle of progressive discipline, except that the City has the discretion to immediately apply the discharge penalty, without any prior written notice, in the following circumstances: loss of license, commission of a crime, theft, dishonesty, falsification of records, drunkenness, substance abuse, fighting, insubordination, serious abusive and/or harassing behavior toward the general public, co-workers, or City staff, or on-duty recklessness. Discharge must be by written notice hand delivered or sent first class mail to the employee with a copy to the Union.

In lieu of the first step of the grievance procedure set forth in Section 1.16 below, a discharged employee may request an investigation. Should the investigation prove that the employee was unjustly discharged; the employee shall be reinstated and compensated for any loss of pay (less any interim income earned through other employment or self-employment unless the employee would have earned such interim income regardless of the employee's disciplinary leave of absence). A request for investigation concerning an employee's discharge must be made by written request to the Director of Public Works or the Director's designee within ten (10) calendar days from the date that the discipline was imposed. No request for investigation made

later than ten (10) calendar days after the discharge will be considered, and in such case, the remaining steps of the grievance procedures otherwise available to the employee, as set forth in Section 1.16 of this agreement, shall be deemed waived.

The City will make a decision on the request for investigation within ten (10) calendar days after receipt of the written request. The city will provide a copy of the decision to the Union and to the employee. If no decision is made after ten (10) calendar days, or the matter remains unsettled, the matter will be advanced to the second step of the grievance procedure contained in Section 1.16 below.

Section 1.16. Grievance Procedure - It is mutually agreed that all grievances, disputes, or complaints arising under and during the term of this agreement shall be settled in accordance with this grievance procedure, provided that there shall at no time be a strike, slow-down, walk-out, or any unauthorized cessation of work or the use of any method of lockout or legal proceedings. Every effort shall be made to adjust controversies and disagreement in an amicable manner between the City and Union.

Should any grievance, dispute, or complaint arise over the interpretation or application of the contents of appropriate portions of this agreement, there shall be an earnest effort on the part of the parties to settle such promptly through three steps.

The first step shall be a conference between the aggrieved employee, the Steward, or both, and the supervisor and/or Director of Public Works. It shall be the responsibility of the aggrieved to reduce any grievance to writing on the regular grievance form provided by the Union within ten (10) working days of the alleged grievance.

The second step shall be a hearing between the Union representative and City and/or the City's representatives to be held within ten (10) working days of the alleged grievance and with a decision rendered in ten (10) working days after the hearing.

The third step shall occur in the event that the second step procedure fails to settle the grievance, and the Union within sixty (60) days may submit the issue to an arbitrator as provided for in Section 1.17 of this agreement. Such decision will be binding on both parties.

Grievances must be taken up promptly, and no grievance will be considered or discussed that is presented later than ten (10) working days after such has occurred.

Section 1.17. Arbitration Procedure - Any grievance that is arbitrable, upon proper notification as provided in this agreement, may be submitted to one arbitrator chosen by mutual agreement by the parties. If mutual agreement cannot be obtained, the arbitrator will be selected from a panel of arbitrators obtained from the Michigan Employment Relations Commission (MERC) using the MERC procedure for selecting the arbitrator. Compensation and expenses of the arbitrator shall be shared equally by the City and the Union.

The employee involved, or if a group grievance, one representative from the group, may be in attendance without loss of pay. Witnesses shall be compensated for lost time by the party calling the witness.

The arbitrator shall have no power to add to, subtract from, or modify this agreement, or to declare any provisions of this agreement illegal.

Section 1.18. Special Conferences - Parties to this agreement recognize that, during the term of this agreement, there might from time to time arise issues of mutual concern. Special conferences to discuss such important matters may be arranged by mutual agreement of the parties. Every effort shall be made to schedule such conferences within fourteen (14) days of receipt by either party of a written request for same. The written request shall specify, as an agenda, the purpose of the special conference. Each party may be represented at special conferences by outside representatives. It is expressly understood that the purpose of such special conferences shall not be to renegotiate the terms of this agreement, and each party shall have the right to rely upon the terms of this agreement, nor shall special conferences be used as

substitutes by the employees or by the Union for the grievance procedure as provided in Section 1.16 of this agreement.

ARTICLE 2 – COMPENSATION

Section 2.1. Hours of Work - The regular work week shall commence on Monday morning and end on Friday afternoon, except that the Water and Waste Water Department work week shall consist of seven (7) days, commencing on Sunday and ending on Saturday. All work weeks shall generally consist of forty (40) hours per week on such days and at such times as determined by the City; however, this shall not be considered a guarantee of work.

The City will provide two (2) weeks' written notice to the Union and affected employees prior to any layoff or prior to reducing hours of work.

Employees affected by reducing hours of work, and who are scheduled to work at least thirty (30) hours per week, will continue to be eligible to participate in the insurance programs provided in this agreement. The City will lay off employees before reducing hours below thirty (30) hours per week.

Seniority shall prevail in the reduction of hours of work; however, an employee with less seniority may be retained if a more-senior employee does not have the present ability and/or experience to perform the remaining work.

Section 2.2. Paid-for Time - Employees shall be paid for all time spent in the service of the City. Except for the provision relating to call-in pay/on-call time in Section 2.9, paid-for time shall be computed from the time that the employee arrives at work until the time that the employee is effectively released from duty. Employees called to work shall be allowed sufficient time, without pay, to get to the job and shall draw full pay from the time of being registered in.

Section 2.3. Pay Period - Employees shall be paid in full every two weeks.

Section 2.4. Pay Record - The City must record the hours worked by employees and the hourly rates of pay for each employee on the employee's paycheck stub. The City shall immediately notify an employee of any changes in the employee's time card made by the City after the employee has submitted the employee's record if the change will result in an increase or decrease in the numbers of hours for which the employee will be paid.

Section 2.5. Wages - Attached hereto, and marked as Schedule "A," is a chart that shows classifications and wage rates of employees covered by this agreement. It is mutually agreed that said Schedule "A" and the contents thereof shall constitute a part of this agreement.

Section 2.6. Pay Classification Changes - Employees who are placed temporarily to work in a higher classification shall receive the higher rate of pay of that classification for the period of actual time worked within the higher classification. Employees who are temporarily transferred from a higher classification to a lower classification shall remain at the employees' higher rates of pay during the temporary period. Employees who are transferred permanently from a higher classification to a lower classification shall receive the rate of pay that has been established for the lower classification.

Section 2.7. Reporting Wage Guarantee - Any employee who reports to work according to the employee's regular work schedule but is not put to work shall be guaranteed three (3) hours of pay at the rate specified in this agreement.

Section 2.8. Daily, Weekly, and Call-In Overtime Pay - One and one-half (1½) times the hourly wage rate shall be paid for all hours worked in excess of eight (8) hours per day or forty (40) hours per week, whichever daily or weekly number of hours is greater, but not both. The need for overtime shall be determined by the City. The use of unpaid time off by an employee shall not be counted as hours worked in that pay period for purposes of calculating an employee's entitlement to overtime pay.

Section 2.9. Call-in Pay - An employee who is called in to work prior to the beginning of the employee's regular work schedule, or who is called back into work after the employee has finished working and has left the work place, shall be paid for a minimum of three (3) hours at the rate of one and one-half (1½) times the employee's regular hourly wage rate, except if an employee is called into work less than three (3) hours prior to the start of the employee's regular shift, and the employee remains working into the employee's regular shift, an employee shall receive one and one-half (1½) times the employee's regular rate of pay for the first three (3) hours of work and pay at the employee's regular rate of pay for the remainder of the hours in the employee's regular shift; if an employee is called into work prior to the start of the employee's shift, and the employee is sent home by the City prior to the end of the employee's regular shift, an employee shall receive one and one-half (1½) times the employee's regular rate of pay for all hours worked prior to the start of the employee's shift; or if an employee is called in to work prior to the start of the employee's regular shift and an employee requests to leave work prior to the end of the employee's regular shift, subject to the City's approval, an employee shall receive one and one-half (1½) times employee's regular rate of pay for all hours worked in excess of eight (8) hours. An employee will receive credit for call-in pay from the time that the employee answers the page, provided that the employee responds to the page within twenty (20) minutes from the time that the employee answers the page. Otherwise, call-in pay will start when the employee arrives at the job in accordance with Section 2.2.

Section 2.10. Holiday Wage Rates - An employee shall receive a minimum of three (3) hours at the rate of one and one half (1 ½) times an employee's regular hourly wage rate and shall be paid at this rate for all hours worked on the following paid holidays: Memorial Day, 4th of July, Labor Day, Friday after Thanksgiving Day, and Christmas Eve in addition to employee's holiday pay.

An employee shall receive a minimum of three (3) hours at a rate of two (2) times an employee's regular hourly wage rate and shall be paid at this rate for all hours worked on Thanksgiving Day, Christmas Day, and New Year's Day in addition to the employee's holiday pay. There shall be no pyramiding of overtime pay under Section 2.8 of this agreement for work on a holiday.

Section 2.11. On-Call Overtime Rotation - To provide the City with sufficient staff that is ready to respond to emergencies, and to provide an equitable system to equalize overtime call-in opportunities among employees, all employees shall be required to participate in an on-call rotation program. Provisions governing this Section appear in Schedule "C" as part of this agreement.

Section 2.12. Overtime Opportunities and Records - As much as possible, the City will equalize overtime opportunities for all employees, provided that employees have the present ability to perform the work. The City shall maintain and post a record of overtime hours. Employees who refuse overtime shall be charged as though they worked the overtime.

Section 2.13. Overtime Distribution - Scheduling of overtime work shall be according to seniority within the various divisions of the department and shall be distributed fairly and equitably among the employees of each classification. Seniority within the classification needed shall prevail in the distribution of all overtime work on a rotating basis.

Section 2.14. Out-of-Town Travel - Employees out of town on City business shall be paid for all meals and lodging upon submission of proper documentation.

Section 2.15. Use of Former Sick Leave Program Bank as Compensation Any sick leave earned and accumulated as of December 1, 1990, under the former sick leave program, shall be retained by each employee and use of such leave shall be in lieu of short term disability coverage where the employee would otherwise qualify for benefits under the terms of the lost income

insurance plan; for all days not covered by the short term leave disability coverage where the employee would otherwise qualify for benefits under terms of the plan; for any bona-fide illness or injury when the employee has exhausted the employee's short term leave; or to supplement either workers' compensation benefits or disability benefits in an amount to insure a full pay while the employee is on such leave. Upon the employee's retirement, the City shall pay the employee for all hours in excess of five-hundred-twenty (520) remaining in the employee's sick leave bank at the employee's regular base rate of pay at the time of the employee's retirement; and upon the employee's death, the City shall pay the employee's estate for all hours in excess of five-hundred-twenty (520) remaining in the employee's sick leave bank at the employee's regular base rate of pay at the time of the employee's death. Upon retirement, the employee may, at the employee's option, elect to receive a credit in the amount of one-half (½) of all accumulated sick leave days to be used by the City for the purpose of paying the employee's health insurance premiums in addition to payment received by the employee under Section 4.2 of this agreement. Upon exhaustion of this credit, the employee shall be eligible to remain on the City's group insurance plan, but the employee shall be responsible to pay the full premium, except as modified by provisions of Section 4.2 of this agreement.

ARTICLE 3 - LEAVES

Section 3.1. Vacation Eligibility - The schedule of vacations for years of service shall be, provided that employees have been on the active payroll for a least one-thousand-five-hundred-sixty (1,560) paid hours during the preceding year, forty (40) hours of pay following one (1) year of service, eighty (80) hours of pay following two (2) years of service, one-hundred-twenty (120) hours of pay following seven years of service, and one-hundred-sixty (160) hours of pay following eleven years of service.

Employees who fail to achieve the one-thousand-five-hundred-sixty (1,560) paid hours of a qualifying year for vacation purposes will be paid vacation pay on a prorated basis based on the ratio of paid hours to two-thousand-eighty (2,080) hours.

Employees shall be permitted to carry over up to 40 hours of vacation time to the subsequent calendar year. All carried over vacation hours must be used during the subsequent calendar year.

Section 3.2. Vacation Requests - Vacation leave must be requested at least two (2) weeks in advance, but will be granted with less than two (2) weeks' notice in situations involving emergencies, illness, and other bona-fide reasons that make such notice impossible.

The City shall have the right to determine vacation leaves of absence so that vacation leaves of absence shall not interfere with the efficient operations of the City.

The City shall grant vacation requests according to seniority.

Section 3.3. Vacation Pay - Each hour of vacation pay shall be based upon the employee's straight time hourly wage rate. If a holiday should fall within the vacation period, the employee shall be paid an additional day's pay of eight (8) hours at the employee's straight time hourly wage rate, or the employee may elect not to use the vacation day and be paid only for the holiday.

An employee who has earned vacation leave but is separated from employment before taking it shall be paid the amount earned at the time of separation.

Section 3.4. Holiday Schedule - Except for call-in or specially scheduled duty, employees shall not be required to work and shall be paid eight (8) hours of pay at the employee's straight time hourly wage rates for these eight (8) holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Friday after Thanksgiving Day, Christmas Eve Day, and Christmas Day. When a holiday falls on a Saturday it shall be celebrated on the preceding Friday and when a holiday falls on a Sunday it shall be celebrated on the following Monday.

Section 3.5. Holiday Pay Eligibility - To qualify for eight (8) hours of straight time pay for a holiday not worked, employees must work the regularly scheduled work day that immediately precedes or follows a holiday, except in proven cases of illness or unless the absence is mutually agreed upon between the employee and the City. Employees are entitled to holiday pay if the holiday falls within the first six (6) months of absence due to occupational injury or during a period of permissible absence.

If the holiday falls within the thirty (30) day period following an employee's layoff due to a lack of work, and such employee is also recalled to work during the same thirty (30) day period but did not receive any holiday pay, then in such case the employee shall receive an extra day's pay for such holiday in the week in which the employee returns to work. Said extra day's pay shall be equivalent to eight (8) hours at the employee's straight time hourly wage rate. An employee who was laid off because of lack of work and is not recalled to work within the thirty (30) day period is not entitled to pay upon the employee's return.

Under no circumstances shall extra pay be construed to be holiday pay, nor shall it be construed to be as hours worked for weekly overtime.

Section 3.6. Personal Leave Time - Employees shall be entitled to twenty-four (24) hours of personal leave time, which shall serve as "floating" or optional holidays, with pay, per calendar year. Hours of personal leave time will be scheduled with the City's approval.

Section 3.7. Short Term Leave - Each employee shall receive fifty-six (56) hours of short term leave time on December 1 of each calendar year to be used for illness or non-illness reasons. By December 15 of each calendar year, the City shall pay each employee for all unused short term leave time that had been granted the previous December 1, not to exceed fifty-six (56) hours. Such payment shall be by separate check and at the employee's regular base rate of pay. Employees may not bank short term leave time.

After an employee exhausts any available sick leave, the City shall have the option to require the employee to use any accrued vacation, personal leave, or short term leave time, except that the employee may reserve up to five (5) vacation days. Thereafter, the employee may request Extended and/or Personal Leave as described below. The City requires that any entitlement under the Family Medical Leave Act shall run concurrently with any leave of absence under this section.

Section 3.8. Extended Leave - Extended medical leave will be granted upon written request from the employee for non-work related illness or injury, subject to the Employer's right to require medical proof of disability.

Leaves granted under this section shall be without pay and benefits, and an employee on such leave shall be responsible for payment of his health, and life, and accidental death and dismemberment, dental and optical insurance coverage beginning thirty (30) days after the employee has exhausted all accumulated leave time (except for the retention of 5 vacation days as described in the preceding section) and is no longer on the active payroll, except as otherwise required by the Family Medical Leave Act. All leaves under this section shall run concurrently with any leave under which the Family Medical Leave Act is applicable.

Except as otherwise provided for in Section 2.15, and further except for the retention of 5 vacation days as described in the preceding section, leaves under this section will not be granted until an employee has exhausted all other accumulated leave benefits.

An employee may be on leave under this Section for a period of not more than twelve (12) months or the length of his seniority, whichever is less, and seniority shall not continue beyond that time, unless otherwise mutually agreed.

The City may, as a condition of continued leave, require proof of such continuing disability. The City may also require that an employee provide a medical certificate that establishes to the City's satisfaction that the employee is unable to perform the essential functions of the employee's job.

The City may require employees to take leave under provisions of this Section if the City believes that there is reason to question the employee's ability to safely and/or completely perform the essential functions of the employee's job as a result of the employee's physical, medical, or mental condition. In such cases, the City may, at the City's expense, require an employee to be examined by a physician selected by the City for the purpose of determining whether such condition would require leave under provisions of this Section.

Employees who do not return to work from leaves under the provisions of this Section will be considered terminated, and the City then will have the option of filling the employee's position on a permanent basis.

Section 3.9. Workers' Compensation Leave - A leave of absence will be granted to employees for work related illnesses or injuries for which employees are entitled to receive benefits under Michigan Workers' Compensation laws. Any entitlement of the Family and Medical Leave Act shall run concurrently with the workers' disability compensation leave. The City will grant workers' disability compensation leave for up to a total of seventy-eight (78) consecutive weeks. Employees may use the sick leave program as provided in Section 2.15 of this agreement to supplement this workers' disability compensation leave benefit, but neither the provisions of Section 2.15 nor any other provision of this agreement shall be used for the purpose of extending such workers' disability compensation leave beyond a total of seventy-eight (78) consecutive weeks.

The City may, as a condition of continued workers' disability compensation leave, require proof of such continuing disability. If the City determines that, after consultation with its medical advisors, an employee has the ability to perform the employee's regular job safely and/or completely perform the essential functions of the employee's job, then the employee's workers' disability compensation leave shall immediately end, and the employee shall be required to return to the employee's regular job.

The City may require that an employee provide a medical certificate that establishes to the City's satisfaction that the employee would be able to perform the essential functions of the employee's job.

Employees who do not return to work from a workers' disability compensation leave of absence within the seventy-eight (78) consecutive week maximum leave period, will be considered terminated, and the City will have the option of filling the employee's position on a permanent basis. Upon written request, the City may, in its sole discretion, extend the workers' disability compensation leave beyond the 78-week period for a limited time.

Section 3.10. Funeral Leave - When death occurs in an employee's immediate family, the employee, upon request, shall be excused with pay for up to three (3) normally scheduled working days within 7 days immediately following the date of death. For out-of-state funerals, employees shall be excused for up to two (2) additional work days with pay.

Immediate family shall be defined as an employee's spouse, children, parent, brother, sister, grandparent, grandchildren, aunt, uncle, current mother-in-law, current father-in-law, current sister-in-law, current brother-in-law, current grandparent-in-law, step-mother, step-father, step-sister, step-brother, step-children, or member of the employee's family living in the employee's household.

Time off will be granted to attend the funeral of an employee's relative, other than immediate family, or a friend. This time may be without pay or may be, at the employee's option, taken via any paid time off benefit.

Section 3.11. Jury Duty - Employees will receive regular pay while on jury duty but will be required to turn in pay to the City that is received in their roles as jurors, less any mileage allowance.

Section 3.12. Military Duty - Military leave will be in accordance of all applicable Federal and State laws and regulations.

Section 3.13. Union Leave - The City agrees to grant necessary and reasonable time off, without discrimination or loss of seniority rights and without pay to any employee designated by the Union to attend a labor convention, or serve in any capacity or other official Union business, provided that forty-eight (48) hours' written notice is given to the City by the Union, specifying the proposed length of time off for Union activities.

Due consideration shall be given to the numbers of employees affected in order that there shall be no disruption of the City's operations due to lack of available employees.

ARTICLE 4 – INSURANCES

Section 4.1. Health Insurance - Effective June 1, 2016 the City will make available a high-deductible Blue Cross/Blue Shield of Michigan insurance plan for employees and employees' dependents, being Group Number 01208/661. The City reserves the right to change plans, provided the plan selected is reasonably comparable, but not necessarily identical to the current plan. The City's participation in payment for health care benefits, including medical, dental and optical benefits, shall be capped at the annual "hard cap" amounts as calculated by the Michigan Department of Treasury pursuant to Public Act 152 of 2011.

If the cost of health care benefits, including medical, dental and optical is less than the hard cap limits established under Public Act 152 of 2011, a contribution in the amount of the difference will be made to the employee's HSA account.

The City's payments will begin on the first day of eligibility in monthly increments toward the Employee's health care premiums. Employees shall pay the balance of all health care costs including premiums, deductibles, co-pays and contributions to their health savings accounts. The

Employee portion of health care premiums, if applicable, shall be deducted from the employee's bi-weekly pay.

The City shall commence payment of its portion of the insurance premiums in accordance with its established policy and all City payments shall cease when employment is terminated and at the end of the month in which an employee is placed on layoff or on a leave of absence. The City will continue its payments during a medical leave for up to 12 weeks provided that the Employee is eligible under FMLA and the employee's premium payments are made. Health insurance may be also continued in accordance with COBRA upon the employee's payment of the required total premiums.

Employees who have the ability to obtain medical, vision, dental and hospitalization insurance from another source may decline such coverage with the City and the City shall reimburse employees who elect not to participate in the City's program an amount equal to 50% or the then applicable single rate cap, provided that the employee provides reasonable proof of alternative coverage, and then declined the coverage through the City.

Section 4.2. Retiree Health Insurance - Upon retirement, employees may keep health insurance plans in effect as part of the City's group plan. The City will pay up to two-hundred dollars (\$200) per month toward the retiree's and spouse's health insurance coverage for the life of the retiree only, provided that the retiree remains insured by the City's group health care plan. Employees who retire after January 1, 2017 will not be eligible to receive these payments.

Section 4.3. Lost Income Insurance - The City shall provide lost income insurance in conjunction with the short term leave program for non-work related illness and injury for minimums of up to twenty-six (26) weeks of coverage per illness or injury in any calendar year with such disability benefit in the amount of sixty-six and two-thirds percent (66-2/3%) of the employee's gross weekly wage, not to exceed one-thousand dollars (\$1,000) per week. Such disability

benefits shall become effective after the seventh (7th) consecutive calendar day of illness or the first (1st) day of injury.

Section 4.4. Workers' Compensation Insurance - The City shall provide workers' compensation coverage to all employees at no cost to employees.

Section 4.5. Dental and Optical Insurance - Subject to the limitations on the City's participation set forth in Section 4.3 above, the City shall provide employees the same optical and dental insurance benefit as provided the City's non-unionized employees, being Blue Cross Blue Shield of Michigan, Group Number 01208/661.

Section 4.6. Life and Accidental Death-Dismemberment Insurance - The City shall provide, at the City's expense, term life insurance, inclusive of accidental death and dismemberment benefits in the base amount of twenty-five-thousand dollars (\$25,000) for each employee.

Section 4.7. Insurance Coverages During Short Term Leave - The City shall continue to pay its share of the costs of employees' health, life and accidental death and dismemberment, dental, and optical insurance coverages while employees are receiving disability benefits under the short term leave insurance plan.

Section 4.8. Insurance Coverages During Workers' Compensation Leave - When employees are off due to job-related illnesses or injuries, the City will pay its share of the next six (6) health insurance monthly payments and life insurance monthly payments beginning with the first full month following the illness or injury. The employee shall be responsible for their share of the costs for the first six (6) months, and thereafter, shall be responsible for the entire cost of such coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act (COBRA).

Section 4.9. Insurance Coverages During Leaves of Absence - When employees are on leaves of absence, employees shall be responsible for monthly payments of employees' health insurance and life insurance coverages pursuant to the Consolidated Omnibus Budget Reconciliation Act (COBRA) thirty (30) days after employees have exhausted all sick leave program banks or accumulated time are no longer available.

Section 4.10. Insurance Coverages During Layoff - When employees are laid off, the City will pay its share of the next two (2) health insurance monthly payments and life insurance monthly payments. Employees shall be responsible for their share of the costs for the first two (2) months, and the entire cost of coverages beyond the two (2) payments.

Section 4.11. Change in Insurance Providers - The City shall have the right to change insurance providers, provided that the new insurance offers substantially equivalent benefits. The City shall provide employees and the Union thirty (30) days' advanced notice, which shall include detailed information on the proposed plan and benefits, of any changes in insurance providers prior to implementation.

ARTICLE 5 – RETIREMENT

Section 5.1. Pension Plan - Effective January 1, 2017, current Employees shall have their MMERS Plan B-4 pension benefits frozen as of December 31, 2016, and shall be covered under the Michigan Municipal Employees' Retirement System (MMERS) Plan B-3, inclusive of the V-6, F55/25, FAC 3 riders. The employee shall pay three percent (3%) of wages toward the cost of this benefit for the duration of the Agreement.

All employees hired after December 31, 2016, shall be enrolled in the MMERS Defined Contribution Retirement Plan. Once enrolled, the Employer shall pay into each employee's individual contribution plan account on a bi-weekly basis a sum equal to three percent (3%) of the employee's base wage and overtime for that pay period. In addition, the employer will match

contributions made by the employee up to two percent (2%), resulting in a maximum total contribution by the employer of five percent (5%) of wages. Vesting in the plan (as it relates to the employer's contribution) shall be as follows:

Completion of one year of service	25%
Completion of 2 years of service	50%
Completion of 3 years of service	75%
Completion of 4 years of service	100%

Section 5.2. Deferred Compensation Plan - The City shall offer those employees who request it the opportunity to participate in the International City/County Management Association's Retirement Corporation (ICMA-RC), a deferred compensation program that permit municipal employees to defer a portion of their wages. Contributions to this plan shall be made only by employees.

ARTICLE 6 - SAFETY AND TRAINING

Section 6.1. Equipment and Working Conditions - The City shall not require employees to use any vehicle that is not in safe operating condition or equipped with the safety appliances as prescribed by law. It shall not be a violation of this agreement where employees refuse to operate such equipment, unless such refusal is unjustified. Under no circumstances will an employee be required or assigned to engage in any activity involving dangerous conditions of work or danger to person or property or in violation of any applicable statute, court order, or governmental regulation relating to safety of persons or equipment.

Section 6.2. Accident Reports - An employee involved in an accident shall immediately report said accident and any physical injury that is sustained. When required by the City, the employee, before starting the employee's next shift, shall make out an accident report in writing, on forms furnished by the City, and shall turn in all available names and addresses of witnesses to any

accidents. Failure to comply with this provision shall subject the employee to disciplinary actions by the City. An employee shall immediately, or at the end of the employee's shift, report all defects of equipment. Such report shall be made in writing on forms furnished by the City. The City shall not ask or require an employee to take out equipment that has been reported by another employee as being in an unsafe operating condition until such equipment has been approved as being safe by the motor pool supervisor.

Section 6.3. Safety Committee - The City shall establish a safety committee consisting of employees representing all City operations, including the Union, the duties of which shall include, but not necessarily limited to, establishing safety rules and regulations in line with Federal and State requirements and other accepted safety practices; plan and establish an ongoing safety program for all employees; meet at least monthly to analyze accident reports and complaints and evaluate effectiveness of the safety program; and periodically inspect all City operations and make recommendations to improve safety conditions. The City agrees to implement all reasonable recommendations of the safety committee. The City shall have the right to establish and enforce safety rules and practices.

Section 6.4. Safety Devices - The City will pay each employee \$250 per year toward the cost of safety glasses, safety shoes/ boots, and the cost of obtaining or renewing the CDL portion of the employee's driver's license.

Section 6.5. Uniforms - The City will provide, at its expense, uniforms to employees and shall maintain the program for uniforms in effect at the signing of this agreement. In addition, the City may, at its option, provide employees with jackets and other outerwear, which the employee shall be required to wear while working if outerwear is necessary due to weather conditions. Employees may not wear outerwear other than that supplied by The City while working, without

prior approval from The City. Employees shall be required to clean and otherwise maintain the outerwear.

Section 6.6. Vaccinations - The City shall provide, at its expense, periodic vaccinations for all employees. Vaccinations shall be given through a physician of the City's choosing and at intervals as recommended by the Michigan Department of Community Health or the Environment, Great Lakes and Energy or as may be required by law.

Section 6.7. Commercial Driver's License - Should an employee be unable to obtain or maintain commercial driver's license, when such employee is required to have this license for the purpose of operating any and all of the City's vehicles or equipment, the City shall temporarily place the employee in a classification where such license is not required until such time as the employee obtains the required license, provided that an opening exists as determined by the City and that the employee is qualified to perform the work within the temporary assignment. This temporary reassignment shall not exceed ninety (90) days, and the employee shall not suffer loss of pay or benefits during this temporary change in classification.

The City may grant the employee a leave of absence up to a period of ninety (90) days for the purpose of obtaining such a license. During this leave of absence, the availability of benefits shall be governed by sections 3.9 of this agreement and the employee may use any available paid time off for this leave, or may accept the leave without pay. An employee will not accrue seniority under this section of the collective bargaining agreement.

Provided that, however, the City shall not be required to temporarily reassign an employee or grant a leave of absence to an employee under this provision for more than a total of ninety (90) days under either action or combination of the actions. An employee who is temporarily reassigned or granted a leave of absence under provisions of this section shall be required to immediately notify the City and return to work the next scheduled day after the employee has received the required commercial driver's license.

Section 6.8. Loss of License.

(A) Loss of CDL - If the commercial drivers' license (CDL) is lost through a legal proceeding, then employees will have thirty (30) days to reinstate the CDL subject to United States Department of Transportation (DOT) regulations and the City's drug and alcohol policy, except that for a non-probationary employee's first misdemeanor alcohol conviction unrelated to work, that employee will have thirty (30) days to reinstate the CDL notwithstanding the City's drug and alcohol policy and other policies or provisions relating to discipline and discharge.

During the thirty (30) days, employees will be suspended without pay. However, the City can in its sole discretion assign employees other available work not requiring a CDL. If the CDL is reinstated in the thirty (30) days, then employees will be returned to their former classifications.

(B) Loss of Technician License - Other than CDL licenses, if employees lose their licenses or certifications required for their job positions, then employees will be allowed to continue work for a period of up to six (6) months or the next scheduled test, whichever period is longer, while employees attempt to reinstate their licenses or certificates. During this time period, employees will be paid at the appropriate classification rates for the work performed. Failure to reinstate such licenses within the above time period will result in termination.

Section 6.9. Bonds - Should the City require any employee to be bonded, the cost of any premium shall be paid by the City.

Section 6.10. Training Opportunities - Subject to the trial period in this Section, the City will provide employees with opportunities to learn the necessary skills to advance to the Public Works Technician and Public Works Mechanic positions. The City shall post notices of openings of jobs

covered by this agreement for one (1) week, and employees shall bid for such openings within that week. Where reasonably possible, the City will attempt to fill vacancies that occur within these positions from within the bargaining unit based upon seniority and ability. An employee may bid for such openings with the understanding that the employee may be given the opportunity to learn the technical aspects of the position over a reasonable period of time rather than being fully qualified upon bidding for the position. Should the City be able to fill such a vacancy in this manner, the Union and the City shall determine an appropriate trial period for the employee to serve, subject to the needs of the City and the requirements of the position.

The City agrees to provide sufficient training opportunity and direction for employees serving a trial period in these positions. The City will provide periodic review with the employee during the employee's trial period.

Section 6.11. Educational Opportunities - The City agrees to pay for the cost of training, schooling, or educational courses, which in the City's judgment, are job-related, provided that the City first approves of the course of instruction and of the institution or program providing the course of instruction, and provided further that the employee successfully completes the course of instruction with a passing grade. The City agrees to pay all related cost up-front for the course of instruction or certification for the employee's first two attempts to secure a given level of certification. If subsequent attempts to secure a given level of certification are necessary, the City agrees to pay all related cost up-front for the course of instruction or certification, but should the employee fail the employee agrees to reimburse the City for all related costs.

Within the first seven years of employment for the City only, or in the event of a change of employment between Divisions the first seven years of employment within the new Division only, if the employee fails to complete the course or certification, or leaves within three (3) years of obtaining a certification, the employee agrees to reimburse the City for all related cost on a pro rata basis based upon the number of full months not worked of the three (3) years.

The employee agrees that any reimbursements to City under this Section may be in the form of payroll deduction from any final compensation due the employee.

The City agrees to pay expenses directly related to the ongoing maintenance of existing licenses or certifications.

Section 6.11.A. Lineman Training Program – The Employer agrees that qualified employees may, with the City’s permission, participate in the Lineman training program sponsored by Wolverine Power Cooperative. Upon agreement of the parties, the Employer agrees to pay the up-front costs of training, including wages, tuition and supplies. If Employee fails to complete the course, Employee shall reimburse the Employer for all costs incurred by the Employer for said training. In consideration of this benefit offered by the Employer, the Employee agrees to remain in the employ of the City for at least 5 years after completing the program. If Employee fails to remain in the employ of the City for 5 full years after completion of the program, Employee shall fully reimburse the City for all up-front costs paid by the City to train the Employee. At the time Employee begins the program, the Employee shall sign an agreement that sets forth the terms of this section, acknowledging the Employee’s obligations and commitments, and allowing reimbursement by payroll deduction to the greatest extent permitted by law. An Employee who enrolls in the training program and fails to complete it, may be terminated by the Employer at Employer’s sole discretion without recourse by the Employee.

ARTICLE 7 - CITY PREROGATIVES

Section 7.1 Management Rights - The City hereby retains and reserves unto itself all powers, rights, duties, and responsibilities conferred upon and vested in it by the laws and the Constitution of the United States and the State of Michigan and the laws and Charter of the City of Petoskey. Among the rights of management, included only by way of illustration and not by way of limitation, is the right to determine all matters pertaining to the City's services to be furnished and the

methods, procedures, means, personnel, equipment, and machines to provide such service; to determine the organizational structures of all the City's offices and departments and their various divisions; to determine the size of the City's workforce and to increase and decrease the numbers of employees retained; to hire new City employees; to determine the nature and number of City facilities and their locations; to adopt, modify, change, or alter budgets; to establish classifications of work; to determine the skills required of employees; to combine or reorganize any part or all of the City's operations; to maintain order and efficiency; to study and use improved methods and equipment and outside assistance either in or out of the City's organization or its facilities; to enter into contracts with private persons or corporations or with other public agencies for the undertaking of any project or for the provision of any product or service; to direct the City's workforce; to assign work within the Department of Public Works or any office or department of the City and to determine the location of work assignments and related work to be performed; to determine the numbers of employees to be assigned to the City's operations; to establish work standards; to select employees for promotion or transfer to supervisory or other positions; to determine the numbers of supervisors; to make judgments regarding skills and abilities and the qualifications and competencies of employees; to establish training requirements for purposes of maintaining or improving the professional skills of employees and for advancement. The City shall also have the right to suspend, discipline, or discharge employees for just cause; to transfer, lay off, and recall personnel; to establish reasonable work rules and to fix and determine penalties for violations of such rules; to establish and change work schedules and hours; to provide and assign relief personnel; to continue and maintain its operations as in the past. All such rights are vested exclusively in the City and shall not be subject to the grievance and arbitration procedure established in this agreement, provided, however, that these rights shall not be exercised in violation of any specific provision of this agreement. It is further agreed by the parties that the enumeration of management prerogatives set forth above shall not be deemed to exclude other prerogatives not enumerated and, except as specifically abridged or modified by this agreement,

all of the rights, powers, and authority possessed by the City prior to the signing of this agreement are retained by the City and remain within the rights of the City, regardless of whether such rights have or have not been exercised in the past.

Section 7.2. Subcontracting - The City shall be free to subcontract provided that no bargaining unit employees, who have the present ability to perform the subcontracted work, are laid off.

Section 7.3. Work by Other Employees - The City shall be free to transfer work performed by employees to any other City staff members, provided that such work does not involve operating equipment that is listed in Schedule "B".

Section 7.4. Maintenance of Standards - The City's obligation under the maintenance of standards clause is limited to providing employees all materials, supplies, tools, and equipment that have in the past been provided to employees for use either in conjunction with their required duties or incidental to their employment by the City.

ARTICLE 8 - AGREEMENT CONDITIONS

Section 8.1. Separability and Savings Clause - If any Article or Section of this contract or if any riders to this contract should be held invalid by operation of law or by a tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section or rider should be restrained by such tribunal pending final determination as to its validity, the terms of this contract and any rider thereto, or the application of such Article or Section or rider to persons or circumstances other than those to which it has been held invalid or as to which compliance or enforcement of has been restrained, shall be effected thereby.

In the event that any Article or Section or rider is held invalid or enforcement of or compliance with which has been restrained, the parties effected thereby shall enter into immediate collective bargaining negotiations, upon the requests of the Union and/or City for the purpose of arriving in a mutually satisfactory replacement for such Article or Section or rider during the period of

invalidity or restraint. If the parties do not agree on a mutually satisfactory replacement, either party shall be permitted all legal recourse in support of its demands notwithstanding any provision in this contract to the contrary.

Section 8.2. Economic Savings Clause - If any proposal submitted by the Union cannot be put into effect because of applicable legislation, executive orders, or regulations dealing with wage and price stabilization, then such proposals, or any part thereof, including any retroactive requirements thereof, shall become effective at such time, in such amounts, and for such periods retroactively and prospectively, as will be permitted by law at any time during the life of this agreement and any extension thereof.

Section 8.3. Term of Agreement - This agreement shall remain in effect until 11:59 p.m., March 31, 2022. It shall be automatically renewed from year-to-year thereafter unless either party notifies the other in writing at least sixty (60) days prior to the termination date above that modification or termination is desired.

Section 8.4. Mailing Notification - Written notice referred to in Section 8.3 shall be provided by certified mail sent to respective parties addresses as noted in the Preamble of this agreement.

Section 8.5. Intent and Waiver - It is the intent of the parties hereto that the provisions of this agreement, which contains all of the economic and non-economic conditions of employment, supersedes all prior agreements or understandings, oral or written, expressed, or implied, between such parties and shall govern their entire relationship and shall be the sole source of any and all rights or claims which may be asserted in the grievance procedure herein under or otherwise.

The parties acknowledge that during the negotiations which resulted in this agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any

subject or matter and not removed by law from the area of collective bargaining, and that the understanding and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this agreement. Therefore, the City and the Union for the life of this agreement, each voluntarily, and then unqualifiedly waives the right and each agrees that each other shall not be obligated to bargain collectively with respect to any subject or matter referred to or covered in this agreement or with respect to any subject matter not specifically referred to in this agreement, even though said subject matter may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this agreement. The provisions of this agreement can be amended, supplemented, rescinded, or otherwise altered only by mutual agreement in writing signed by both parties.

CITY OF PETOSKEY

TEAMSTERS STATE, COUNTY AND
MUNICIPAL WORKERS LOCAL 214

City Manager

Business Representative

Steward

Dated: _____

Dated: _____

SCHEDULE "A" - WAGES

The employee wages shall be adjusted as set forth below effective the first full pay period after the effective date of this agreement (following approval/ratification by all parties).

<i>Upon approval</i>	STEPS						
	1	2	3	4	4.3	4.6	5
Public Works Equipment Operator	20.90	21.51	22.56	23.32			23.90
Public Works Mechanic	21.65	22.06	23.03	23.72			24.59
Public Works Tech. (Water-Wastewater)	23.08	23.44	24.17	25.20	25.55	25.92	26.30

<i>Effective 4/1/2020</i>	STEPS						
	1	2	3	4	4.3	4.6	5
Public Works Equipment Operator	21.21	21.83	22.90	23.67			24.26
Public Works Mechanic	21.97	22.39	23.38	24.08			24.96
Public Works Tech. (Water-Wastewater)	23.43	23.79	24.53	25.58	25.93	26.31	26.69

<i>Effective 4/1/2021</i>	STEPS						
	1	2	3	4	4.3	4.6	5
Public Works Equipment Operator	21.58	22.21	23.30	24.08			24.68
Public Works Mechanic	22.35	22.78	23.79	24.50			25.40
Public Works Tech. (Water-Wastewater)	23.84	24.21	24.96	26.03	26.38	26.77	27.16

Apprentice Linemen

Step	Hours	Percent	upon approval	4/1/2020	4/1/2021
1	0000-1000	60%	\$20.10	\$21.62	\$22.61
2	1001-2000	65%	21.78	23.42	24.49
3	2001-3000	70%	23.45	25.22	26.38
4	3001-4000	75%	25.13	27.03	28.26
5	4001-5000	80%	26.80	28.83	30.15
6	5001-6000	85%	28.48	30.63	32.03
7	6001-7000	90%	30.15	32.43	33.92
Journeyman Lineman			33.50	36.04	37.68

Public Works Crewleaders shall receive hourly pay rates set at ten percent (10%) more than the then-current Step 5 pay rate within their functional areas for the term of this agreement, except that the Electric Public Works Crewleader shall receive \$2/hr over the rate for a journeyman lineman.

Apprentice Linemen enrolled in the program upon implementation of this Agreement that receive a current wage that is higher than the wage scale applicable to their step shall maintain their current wage rate until they reach a step (or annual increase) that pays a higher wage than their current rate of pay.

The current wages and steps shall be used as the base wage for any increase in subsequent years.

For Municipal Waterworks and Wastewater Operator, the steps will be determined as follows:

Step 1 - New hire

Step 2 - 6 months and working toward certifications

Step 3 - 18 months and working toward certifications

Step 4 - 30 months and working toward certifications

Step 4.3 One of the following licenses: B, D-1, or S-2

Step 4.6 Two of the following licenses: B, D-1 or S-2

Step 5 - B, D-1 and S-2 certifications.

For all other positions, step increases shall occur at 6 month intervals.

SCHEDULE "B" • EQUIPMENT

The following pieces of equipment may be operated subject to the limitations set forth in Section 7.3:

Truck-mounted sweeper-vacuum

Sewer jet-cleaner

Loader-backhoe

SCHEDULE "C" - ON-CALL ROTATION

- A. The City believes that in order to equalize the amount of overtime burden for all employees in the unit, it is necessary for all employees to participate in the operational on-call rotation.
- B. Prior to March 1 of each year, the City shall post "sign-up sheets" for weekly assignments to this duty.
- C. The "on-call" rotation shall be for a seven (7) day period beginning at 7:30 a.m. on a Monday and ending at 7:29 a.m. the following Monday.
- D. By April 1 of each year the on-call rotation covering the subsequent twelve (12) months shall be established beginning the rotation according to seniority. This twelve (12) month rotation shall be posted.
- E. Employees assigned to the on-call rotation may exchange on-call weeks at any time with notice to the division supervisor. If an employee is unable to serve the employee's on-call week due to illness or other reasons beyond the control of the employee, the employer shall first ask for volunteers to cover the on call and, if no employee volunteers, the least-senior employee in that division shall be assigned to cover the on-call. If more than one (1) employee volunteers, the most-senior employee who volunteered in that division shall be given the opportunity to cover the on-call.
- F. For each division of the Department of Public Works (for the purposes of this Schedule C - operations, water-wastewater, and electric) one (1) employee will respond to a call (for the purposes of this Schedule C, Public Works Mechanics shall be considered Public Works Equipment Operators), and that employee has the discretion to call for additional help, through contacting the dispatcher, as may be reasonably required.
- G. In the event that a crew cannot be assembled after the last senior employee is contacted, then the City shall have the option of calling any or all employees who are assigned to the on-call

rotation or to use whatever means available to accomplish the work. Employees shall not be charged for overtime if the City is unable to contact the employee.

H. The City shall furnish the on-call employees with pagers so that the employees do not have to remain at home at all times while on call.

I. Employees shall be paid for all scheduled-for and all call-in work according to the terms of this agreement.

J. Employees shall receive two-hundred-thirty-five dollars (\$235.00) for each week the employee is on call, in addition to all other compensation received during that week, for the duration of this contract.