FINANCE COMMITTEE

12-0488R

RESOLUTION APPROVING A COLLECTIVE BARGAINING AGREEMENT BETWEEN CITY OF DULUTH AND THE CONFIDENTIAL UNIT OF THE CITY OF DULUTH, REPRESENTED BY CHICAGO AND MIDWEST REGIONAL JOINT BOARD, AFFILIATED WITH WORKERS UNITED/SEIU, FOR THE YEARS 2012-2014.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to execute and implement a collective bargaining agreement with the Confidential Unit of the city of Duluth, represented by Chicago and Midwest Regional Joint Board, affiliated with Workers United/SEIU, containing the same terms and conditions, and being substantially the same as that on file in the office of the city clerk as Public Document No._____, covering the years 2012 through 2014.

Approved for presentation to council:

Chief Administrative Officer

Approved as to form:

Attorney

Approved:

Auditor

ADM/ATTY SBH:cjk 9/18/2012

STATEMENT OF PURPOSE: The city and the Confidential unit reached a tentative agreement for a 2012-2014 collective bargaining agreement on July 20, 2012. The Union rejected the tentative agreement on August 22, 2012. The parties reconvened and reached a successor tentative agreement on August 29, 2012. The Union ratified the tentative agreement on September 18, 2012. This collective bargaining agreement is a three year contract with general wage increases of 1% in 2012, 2% in 2013, and 2% in 2014; these increases reflect a reduction in the maximum annual vacation carry-over allowance to 225 hours, a reduction in the city-paid dental insurance coverage cap from $1,500 to $1,000, and a reduction in sick leave allowances. Commencing in 2013, Union members electing single health insurance coverage will share 10% of the monthly premium cost. The city continues to pay 80% of the monthly premium for family health insurance coverage.

2012-2014~~2011~~

AGREEMENT

between the

CITY OF DULUTH

and

CONFIDENTIAL EMPLOYEES

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THIS AGREEMENT, dated the _____ day of _____, ~~2011~~2012, is entered into by and between the CITY OF DULUTH, hereinafter called the "Employer", and the CONFIDENTIAL UNIT OF THE CITY OF DULUTH represented by Chicago and Midwest Regional Joint Board, affiliated with Workers United/SEIU, hereinafter called the "Union".

ARTICLE 1 - PURPOSE OF AGREEMENT

The intent and purpose of this Agreement is to:

1.1. Establish certain hours, wages and other terms and conditions of employment, as defined in Minnesota Statutes.

1.2. Establish procedures for the resolution of disputes concerning the interpretation and/or application of this Agreement.

The Employer and the Union, through this Agreement, continue their dedication to the highest quality public service for the citizens of Duluth. Both parties recognize this Agreement as a pledge of this dedication.

ARTICLE 2 - DEFINITIONS

2.1. Chief Administrative Officer means the Chief Administrative Officer to the Mayor of the City of Duluth.

2.2. Appointing Authority means the Civil Service Board, Chief Administrative Officer, department head or acting department head, or staff officer appointed pursuant to Charter or Statute.

2.3. Assignment - an instruction from the Employer to an Employee directing the Employee to perform work in the same department and in the same job classification.

2.4. Basic Annual Pay means the Employee's monthly salary as provided for in Appendix I of this Agreement added to the employee's longevity award as provided for in Article 9 of this Agreement multiplied by 12.

2.5. Basic Hourly Rate, for all purposes, means the Employee's Basic Annual Pay divided by 2080 in the case of Employees whose normal workweek is forty (40) hours and divided by 1950 in the case of Employees whose normal workweek is thirty-seven and one-half (37 ½) hours. The Basic Hourly Rate shall be calculated to the nearest $.0001.

2.6. Basic Monthly Pay means the Employee's monthly salary provided for in Article 8 of this Agreement.

2.7. Board means the Civil Service Board of the City of Duluth.

2.8. Continuously Employed means a period of employment which has not been interrupted by more than thirty (30) calendar days at any one time, except by authorized leave of

absence, sick leave, vacation or military leave of absence, absence due to on-duty injury that was compensable under Minnesota worker's compensation act, or, for a period, not to exceed two years while on long term disability.

2.9. Demotion - Instruction from Employer to Employee that the Employee shall work in a different job classification, which classification is in a lower salary range than the one the Employee had been in before receiving said instruction from the Employer.

2.10. Employee means a person defined as a public employee by Minnesota Statute 179A.03, Subd. 14, and who is a member of the formally recognized bargaining unit represented by the Union.

2.11. Grievance means a dispute or disagreement as to the interpretation or application of the terms of this agreement.

2.12. Manager - an Employee who the Employer has instructed to direct work activities of one or more other Employees or persons.

2.13. Non-Duty Disability - a physical condition which renders an Employee incapable of performing the work within his or her classification and which is not compensable under the worker's compensation law.

2.14. Position - a job that the Employer has determined shall be performed by one person in a single job classification.

2.15. Secretary means the secretary of the Civil Service Board of the City as defined in Chapter 13 of the City Code.

2.16. Transfer - means an instruction to an Employee to perform work in the same job classification and at the same salary range but in a different department of the City than the one the Employee had been working in before the Transfer.

2.17. Voluntary Transfer - A Transfer requested and agreed to by the Employee Transferred.

2.18 Duluth Joint Powers Enterprise Trust or Trust means the Trust created for the purpose of accepting and holding certain Employer contributions or other contributions under the Plan(s).

2.19 Board of Trustees means the governing body of the Joint Powers Enterprise and the Joint Self Insurance Pool.

2.20 Joint Self Insurance Pool or Pool means the joint self-insurance pool created by the Members under Minnesota law, known as the Duluth Joint Insurance Pool, through which

certain Plans are funded and operated.

2.21 Members means, unless one or more cease to be a Member pursuant to Article XVI or Article XVII of the Joint Powers Agreement, Employer, the Duluth Airport Authority, the Duluth Entertainment and Convention Center, and the Duluth Housing and Redevelopment Authority, and any other governmental entity, permitted by law, who subsequently becomes a Member under Article XX of the Joint Powers Agreement.

2.22 Plan(s) means one or more benefit plans (1) jointly sponsored and maintained by the Members, pursuant to the provisions of the Joint Powers Agreement, (2) authorized by Minnesota law and able to be provided jointly by Minnesota governmental entities, and (3) that provides benefits for a Member's employees, former employees, including retirees, and persons covered by them (e.g., dependents) in accordance with the terms and conditions of such benefit plan(s), including eligibility.

2.23 Joint Powers Agreement or JPA means the joint powers agreement entered into by and among the Members.

2.24 Joint Powers Enterprise means the enterprise jointly created by the Members and reflected in the Joint Powers Agreement.

ARTICLE 3 - RECOGNITION

3.1. The Employer recognizes the Union as the exclusive bargaining representative of all personnel in the job classifications listed in Appendix I, of this Agreement and as certified by the Bureau of Mediation Services and also defined as Public Employees in Minnesota Statutes, Section 179A.03, Subd. 14.

3.2. In the event that any new job classification is created within the City's Civil Service after the effective date but during the term of this Agreement, and such position is filled by the City, the parties agree to meet and discuss whether or not such position should be represented by the Union prior to making a request to the Director of the Bureau of Mediation Services for a unit designation for such position.

ARTICLE 4 - DUES CHECKOFF

4.1. The Employer shall deduct from the paychecks once each month an amount sufficient to provide the payment of regular dues established by the Union from the wages of all members of the Union authorizing such deduction, in writing, and remit such deductions to the appropriate officer designated by the Union within ten (10) days after the paychecks from which such deductions are made are distributed to the Employees.

ARTICLE 5 - MANAGEMENT RIGHTS

5.1. The Employer and Union recognize and agree that except as expressly modified in this Agreement, the Employer has and retains all rights and authority necessary for it to direct and administer the affairs of the Employer and to meet its obligations under federal, state and local law, such rights to include, but not be limited to, the rights specified in Minnesota Statutes Section 179A.07; the right to direct the working forces; to plan, direct and control all the operations of the Employer; to determine the methods, means, organization and number of personnel by which such operation and services are to be conducted; to contract for services; to assign and Transfer Employees; to schedule working hours and to assign overtime; to make and enforce reasonable rules and regulations; to change or eliminate existing methods of operation, equipment or facilities.

ARTICLE 6 - SAVINGS CLAUSE

6.1. This Agreement is subject to the Laws of the United States and the State of Minnesota~~, and the Charter of the City of Duluth~~. In the event any provision of this Agreement shall be held unlawful and unenforceable by any court or administrative agency of the State of Minnesota or United States of competent jurisdiction, such provisions shall be voided. All other provisions shall continue in full force and effect. The voided provision shall be renegotiated at the request of either party.

ARTICLE 7 - HOURS OF WORK, SCHEDULES

7.1. The standard work week shall consist of 37.5 hours of on-duty time.

7.2. The standard work day shall consist of 7.5 hours of on-duty time.

7.3. The employer shall schedule the Employees' working hours.

7.4. If scheduling demands require a work day or work week other than the ones indicated above, Employees shall be compensated pursuant to Article 10 (overtime).

7.5. Employees shall be allowed an unpaid lunch period of one hour each work day at a reasonable time.

7.6. Employees shall be allowed one 15 minute rest period, with pay, at a reasonable time during each one-half (½) of the work day.

7.7. Management may require an Employee to secure prior written approval from the Employee's supervisor for absences from the assigned workplace that exceed one-half (½) day.

7.8. The creation and implementation of individual or group schedules that differ from the standard shall be accomplished pursuant to this paragraph 7.8 as follows:

The parties acknowledge the following:

1. They are bound by this collective bargaining agreement which remains in force.

2. Each party will benefit from a change in the current work schedule in certain work groups or divisions. Flexibility in scheduling work time can facilitate better productivity for both an individual and a work team.

3. Neither party intends that the provisions of this paragraph 7.8 will operate to increase the Employer's costs of operation or of providing benefits.

4. The goal of each party to this agreement is to provide a satisfying work environment for Employees and excellent service to the public.

For and in consideration of their mutual promises, contained herein, the parties agree as follows:

A. This paragraph 7.8 applies to any Employee or work teams covered by the collective bargaining agreement who choose to work assigned schedules as provided for in this agreement.

B. The assignment of work, and of work schedules, shall continue to be a right of management, except as modified by a collective bargaining agreement. This paragraph 7.8 will allow the Employer to implement, for the Employees, a normal work schedule that results in hours of work that are different from those set out above in Article 7 of the collective bargaining agreement. Participation in the new assigned work schedule under this paragraph 7.8 must be voluntary on the part of the Employee. The implementation of this agreement shall not result in any loss of the Employer's rights to set schedules or assign work.

C. The Employees specified in A. above, may be scheduled to regularly work the hours each work day, and the work days in each work week which are decided upon, after conferring, by the Employee and her or his supervisor, and posted by the Employer. Copies of all new, or amended, work schedules for work teams shall be distributed by the Supervisor, to the Union, Department Director, and City's Chief Administrative Officer, and made available, by posting or otherwise, to Employees.

D. Each Employee will be eligible for overtime rate of pay after he or she has worked the hours in a day which were regularly and previously scheduled for that day, as set out in this agreement, or after he or she has worked the hours in a work week which were regularly

and previously scheduled for that week, as set out in this agreement, or that total at least 40 hours.

E. If the Employees and the supervisor of a work group decide that the work group shall use individual work schedules rather than a group schedule, then the following shall apply:

1. The Employee shall request an individual schedule.

2. The Employee and immediate supervisor shall agree upon a schedule.

3. The Employer must approve the schedule to be implemented.

4. Any schedule that is implemented must not violate the established schedule limits.

F. The employer shall evaluate the effectiveness of any work schedules under this supplemental agreement. Work schedules should result in a continuation of, or improvement in, the quality and quantity of service to the public; increased Employee satisfaction; continuation or improvement in workplace communication and professionalism; continued or increased public access to services; continued or increased office hours. No schedule shall result in increased cost under Federal or State Labor Standards Acts.

G. When an Employee is working under a schedule implemented pursuant to this paragraph 7.8, vacation accumulation will be calculated using hours worked, not days; for purposes of calculating holiday pay or personal leave work hours shall mean a period of seven and one-half (7-1/2) hours for Employees working a 37-1/2 hour work week, and eight (8) hours for Employees working a 40-hour work week. Basic Hourly Rate calculation will be adjusted, if needed, so that base pay remains unchanged from what it was before implementation. For purposes of retiree hospital-medical insurance, the term "day" shall mean the period of time worked in one day.

7.9 Employer shall follow the Fair Labor Standards Act (FLSA), 29 Code of Federal Regulations, Section 541, using the salaries and duties tests set forth to determine FLSA status. Overtime and compensatory time language and provisions in this Agreement shall not apply to positions determined to be FLSA-exempt. Any change in an Employee's FLSA status shall be negotiated with the Union. This Article 7.9 shall expire and become null and void on December 31, 2014.

ARTICLE 8 - SALARY PROGRESSION

8.1. Employees shall be assigned to the appropriate pay ranges according to their job titles and compensated in accordance with this article and the schedule attached hereto as Appendix I. Effective January 1, 2012 Monthly Pay shall be increased by 1% per year; effective

January 1, 2013 Monthly Pay shall be increased by 2% per year; and effective January 1, 2014 Monthly Pay shall be increased by 2% per year.

8.2. An Employee appointed to a permanent position of the classified service from a civil service employment list (open examination) shall be placed in Step A of the appropriate pay range as determined by the schedule attached hereto as Appendix I, except when otherwise recommended and justified by the Appointing Authority to the Chief Administrative Officer and with the approval of the Chief Administrative Officer.

8.3. When an Employee is promoted or reclassified to a higher position or an Employee's position is assigned to a higher pay range, his or her salary shall be increased to that salary in the new pay range which is next over the salary he or she was receiving prior to promotion except when otherwise recommended and justified by the Appointing Authority to the Chief Administrative Officer and with the approval of the Chief Administrative Officer.

8.4. Employees shall remain at the assigned step as specified above until the beginning of the next pay period following completion of six (6) months service in a permanent position, at which time he or she shall advance one (1) step in the pay range in Appendix I and the Employee shall thereafter advance one (1) step in the pay range for each additional twelve (12) months of service.

8.5. No Employee shall be required to work out-of-class in a higher job classification without the Employee's consent. Any Employee assigned in writing by the Appointing Authority or his or her authorized representative to work out-of-class in a higher classification within a work site shall have his or her salary increased to that step in the pay range for the classification in which the Employee is assigned to work which step is next over the salary he or she was receiving prior to such out-of-class Assignment.

a. Out-of-class pay shall be paid when the vacancy or other need for an out-of-class Employee exceeds one (1) day per occurrence.

b. Out-of-class pay shall not be paid for Employees being trained within a City approved training program.

c. The Appointing Authority or his or her designee shall select the Employee by seniority in the next lowest class or lower classes in the work unit.

d. No such instruction to work out of class shall exceed ninety (90) working days, at which time a determination shall be made to permanently fill or vacate the position.

ARTICLE 9 - LONGEVITY AWARD

9.1. In addition to the monthly pay prescribed herein, any Employee who has been continuously employed for a number of qualified pay periods, the total of which is not less than eight (8) years, shall receive from and after the beginning of the next pay period following completion of his or her eighth year of service, a monthly longevity award equal to four percent (4%) of his or her Basic Monthly Pay and any Employee who has been continuously employed for a number of qualified pay periods, the total of which is not less than sixteen (16) years, shall receive from and after the beginning of the next pay period an additional monthly longevity award equal to four percent (4%) of his or her Basic Monthly Pay. Such longevity award shall be computed to the nearest dollar per month. The term "qualified pay period" shall mean any regular minimum period of time at the end of which full-time Employees of the City are regularly paid and during which the Employee was employed and/or paid by the City for not less than three-fourths (3/4) of the normal working hours of the position he or she then occupied. Any time spent by an Employee on leave of absence while on military duty with any military service of the United States shall be considered as time spent in the employment of the City for purposes of determining the number of such Employee's qualified pay periods.

9.2. In cases where Employees have completed a sufficient number of years of service in the Police or Fire Departments of the City to qualify for police or fire pension benefits, the period of service of such an Employee in the Police or Fire Department shall not be considered in computing the longevity award to which such Employee may be entitled under this article.

ARTICLE 10 - OVERTIME

10.1. Employees shall, when required by their department head to work in excess of their normal work week or work day, be compensated for such excess hours as follows:

a. For the first one-half (½) hour per day or two and one-half (2½) hours per week Employees shall either receive pay at their current hourly rate or, at the request of the Employee and with the approval of the Employee's department head, be granted compensatory time off at the rate of one (1) hour for each hour worked, whichever is determined by the Chief Administrative Officer.

10.2. For hours worked in excess of eight (8) hours per day or in excess of forty (40) hours per week, Employees shall either receive pay at one and one-half (1½) times their current hourly rate or, at the request of the Employee and with the approval of the Employee's department head, be granted compensatory time off at the rate of one and one-half (1½) hours for each hour worked.

10.3. All compensatory time off granted pursuant to this article shall be taken no later than December 31 of the year in which it was earned, at such times as are approved by the Employee's department head. If an Employee is unable to use such compensatory time within such year, he or she shall be paid for such unused compensatory time on the paycheck covering

the last pay period in that year, based on the Employee's Basic Hourly Rate as of the last day of that year, but an Employee may carry over into the next calendar year up to forty (40) hours of such accumulated compensatory time off if the Employee applies for such carry-over prior to December 1.

10.4. Overtime shall be computed to the nearest fifteen (15) minutes.

ARTICLE 11 - HOLIDAYS

11.1. Except as otherwise provided herein, Employees shall receive time off with full pay for the legal holidays of New Year's Day, Martin Luther King Day, President's Day, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, Friday after Thanksgiving, December 24th, and Christmas Day, as such holidays are defined in Minnesota Statutes Annotated, Section 645.44, Subd. 5.

11.2. Only Employees who have successfully completed the first ninety (90) days of their initial probationary period may utilize any personal leave days. Each eligible Employee shall receive 4 personal leave days off with pay. Personal leave days may only be used at a time approved by the Employee's Manager.

11.3. Employees, if required to work on a holiday shall, in addition to their regular pay for the holiday, be compensated at the rate of one and one-half (1½) times their current hourly rate for each hour worked on the holiday. Employees who receive overtime pay for time worked on a holiday shall not also receive holiday premium pay for such time worked.

ARTICLE 12 - PAY PERIODS - DEFERRED COMPENSATION

12.1. All Employees shall be paid every two (2) weeks, and payment for each such two (2) week period shall be made not later than the Friday next following such two (2) week period. If any such Friday occurs on a holiday, payments shall be made on the working day next prior to such holiday. The amount of pay for each such two (2) week period shall be determined by multiplying the Employee's Basic Hourly Rate by 75. Beginning with the first pay period that starts in 2012, payment will be made by electronic deposit only and Employees will be required to participate in direct deposit. The Employer will provide reasonable electronic access to deposit information in lieu of paper paystubs.

12.2. Method of Payment. Each Employee shall be paid by check once in each two week period. However, any Employee may be paid, upon his or her request, given in a form acceptable to the Employer, and subject to law and banking procedures, by the direct deposit into the account of the Employee of the compensation due.

12.3. For each eligible Employee who has been continuously employed by the Employer for sufficient time as to be eligible for the Employer's medical benefit plan, the Employer will facilitate contributions to a Section 457(b) deferred compensation program. Such contributions

shall be made (1) in accordance with Internal Revenue Code Section 457(b), including the associated regulations and regulatory guidance, and (2) in accordance with Minnesota law.

a. The Employer shall make the amounts listed below available for contribution to the Section 457(b) deferred compensation program.

1. $320 per month for each eligible regular Employee without claimed dependents on the hospital-medical benefit plan; or

2. $245 per month for each eligible regular Employee with claimed dependents on the hospital-medical benefit plan.

b. Amounts contributed for regular part-time employees shall be prorated based on hours worked.

ARTICLE 13 - HOSPITAL-MEDICAL INSURANCE

13.1. The Employer will make available to Employees comprehensive hospital-medical benefit Plan 3A only.

a. The Employer agrees to pay for the Employees without claimed dependents 100% of the monthly premium for single Employee hospital-medical benefit plan 3A through December 31, 2012. Effective January 1, 2013, the Employer agrees to pay for the Employees without claimed dependents 90% of the monthly premium for single Employee hospital-medical benefit Plan 3A. The Employer shall deduct from each eligible and enrolled Employee's salary or wages the amount by which the monthly premium cost of the Employee's single hospital-medical plan coverage exceeds the Employer's contribution that is stated in this paragraph.

b. The Employer agrees to pay 80% of the monthly premium for family hospital-medical benefit plan 3A. The Employer shall deduct from each eligible and enrolled Employee's salary or wages the amount by which the monthly premium cost of the Employee's hospital-medical plan family-dependent coverage exceeds the Employer's contribution that is stated in this paragraph.

c. The Employer agrees to deposit into the Trust at the end of each calendar year, any unused balance in each Employees flexible benefits spending account.

13.2. Hospital-medical benefit plan coverage shall become effective the first day of the month following the date of hire.

13.3. While an Employee is entitled to receive long-term disability income protection pursuant to Article 25 of this Agreement, the Employer shall ~~maintain~~ provide such hospital-medical benefit plan coverage and monthly Employer premiums ~~s~~ cost-sharing for such Employee ~~as it does for~~ to the same extent as active Employees. The Employer shall deduct from

each eligible and enrolled Employee's long-term disability income protection payments the amount by which the monthly premium cost of the Employee's single or family-dependent hospital-medical plan coverage exceeds the Employer's contribution stated in Article 13.1(a) and (b) above.

13.4. Any proposed change in the hospital-medical benefit plan design that constitutes a reduction in the aggregate value of benefits shall be negotiated with the bargaining unit.

13.5. The Employer shall provide hospital-medical benefit plan coverage to the same extent as active Employees for ~~T~~the dependents of a deceased ~~active~~ Employee, who was classified as an active Employee at the time of death ~~shall continue to receive hospital-medical benefit plan coverage to the same extent as active Employees~~. The surviving spouse's coverage ceases when the spouse dies or remarries. The minor dependent's coverage ceases when each ceases to be defined as a dependent in the applicable section of Minnesota Statutes Chapter 62A, as amended.

13.6. The Employer will include the following provisions in the Plan 3A comprehensive hospital-medical insurance Plan:

a. Lifetime benefit of no less than $2,000,000.

b. Bone marrow, heart, liver, kidney, heart/lung, cornea, and pancreas transplants.

c. Preventive care as defined in the Health Care Benefit Plan, and provided by in-network providers, will be fully covered and not subject to a deductible.

13.7. The insured shall be responsible for the following prescription drug co-pays or co-insurance; Zero dollars ($0) for generic and approved over the counter (OTC) prescriptions (Tier One), fifteen dollars ($15) for preferred brand name prescriptions (Tier Two), and a 30% co-insurance with a minimum thirty dollar ($30)/maximum one hundred dollar ($100) co-insurance payment per non-preferred brand name prescription (Tier Three). When the prescribing physician recommends a Tier Three medication over a Tier Two or Tier One medication for medical necessity, the insured shall be responsible for the Tier Two co-pay.

13.8. Joint Powers Enterprise, Joint Self-Insurance Pool and Trust.

a. The Employer operates, on a joint basis with the HRA, DECC and DAA, one or more group health plans pursuant to the provisions of Minnesota Statutes Chapter 471 and Minnesota Rules Chapter 2785 for the purpose of providing health care benefits to eligible and enrolled Employees and their beneficiaries as described in Article 13.1 above. The Employer agrees to transfer and deposit monthly all premiums as described in Article 13.1 (a) and (b) into the Trust.

b. The Employer, as Member of the Joint Powers Enterprise, agrees to ensure that the administration of the Pool and Trust complies with the provisions of Minnesota Statutes Chapter 471, as amended, and Minnesota Rules Chapter 2785, as amended.

c. Monies in the Joint Insurance Pool Trust shall only be expended for payment of participant health care benefit expenses, purchase of health and dental insurance (including stop loss insurance), payment of expenses incurred in the administration of the Employer's health care and dental care programs, and other health-related expenses. T Expenses made pursuant to the Worker's Compensation laws, the cost of physical exams of, or medical services for, Employees which exams or services are required by the City or another governmental agency shall not be eligible expenses paid from the Trust. Any funds expended from the Trust that are later determined by the Employee Benefits Administrator or through court action, arbitration, or mediation to have been more correctly charged to Worker's Compensation shall be promptly reimbursed to the Trust. Reimbursements received by the Employer from stop loss insurance shall be promptly deposited in the Trust.

d. The Employer, as a Member of the Joint Powers Enterprise, agrees to ensure that the setting of reserves in the Pool complies with the provisions of Minnesota Statutes Chapter 471, as amended, and Minnesota Rules Chapter 2785, as amended.

e. The Employer's representative on the Board of Trustees as defined in the JPA will propose to the Board that premiums be established by October 15, of the prior year, to be in effect January 1 of each year for twelve (12) consecutive calendar months. The Employer's representative shall provide written notice to the joint Health Insurance Labor Management Subcommittee of the premium rate established no later than November 1 following the Board's premium rate decision.

f. If monies in the Trust are at any time insufficient to pay the expenses described in this Article, the Employer shall provide sufficient monies to such Trust as required by the Board of Trustees to cover the deficit.

13.9 The Employer, as a Member of the Joint Powers Enterprise, agrees to ensure that the setting of premium rates for the group health insurance plans of the Pool, a.) complies with the provisions of Minnesota Statutes Chapter 471, as amended, and Minnesota Rules Chapter 2785, as amended and b.) provides for an amount of premiums for the Trust for its fiscal year that is sufficient to provide for 1) the payment of expected health care claims for the current fiscal year, 2) a reasonable and appropriate reserve necessary to cover incurred and unreported claims, stop-loss liabilities, and other potential claims and liabilities, 3) stop-loss and other necessary insurance costs, 4) contract costs for third party claims administrator services, and 5) other administrative costs of the Pool as determined by the Board of Trustees to be necessary for administration of the Pool. The Employer will notify the joint Health Insurance Labor Management Subcommittee of the Board's premium rate decision along with supporting documentation and methodology for the rate determination.

13.10 The Employer, as a Member of the Joint Powers Enterprise, agrees that, if, in the opinion of the Board of Trustee's legal counsel, the meetings of the Board are not subject to the Minnesota Open Meeting Law, (Minn. Statutes Chapter 13D), the Employer will propose to the Board of Trustees that the proceedings of the Joint Powers Enterprise shall be conducted in accordance with the provisions of the Minnesota Open Meeting Law, (Minn. Statutes Chapter 13D).

13.11 The Employer's representative on the Joint Powers Enterprise Board of Trustees as defined in the Joint Powers Agreement will report, after every meeting of the Board of Trustees, and in any event no less than quarterly, to the joint Health Insurance Labor Management Subcommittee regarding activity in the Trust. The report will include information such as claims activity, actuarial reports, and financial statements, which will be comparable to that which was provided to the Health Insurance Labor Management Committee under the 2010 collective bargaining agreement.

13.12 The Union acknowledges that the Employer is authorized to operate a joint self-insurance pool under Minnesota Statutes Chapter 471 and Minnesota Rules Chapter 2785. In the event the City ceases to be a member of the joint self-insurance pool or the pool is dissolved, the language in Article 13.1 (e), Article 13.10 and Article 13.11 as set forth in the 2010 collective bargaining agreement between the parties shall become effective immediately.

13.13. Health Insurance Labor-Management Subcommittee.

It is jointly agreed between the Union and the City that the goal of the two parties is to establish a joint health insurance labor-management subcommittee under the labor management committee set forth in Article 35.1. In the event a city-wide labor management committee is not established pursuant to Article 35.1, the Employer and Union shall establish a joint health insurance labor management committee to carry out the intents and purposes of this Article 13.

1. The purpose of the joint Health Insurance Labor Management Subcommittee is to meet and discuss issues relating to health care for plan participants and to:

a. raise issues, questions, concerns and recommendations to the City's representative to the Board of Trustees relating to the Pool;

b. to keep plan participants informed of the activities of the Board of Trustees;

c. to offer recommendations to the City representative on the Board of Trustees for modifications and additions to plan provisions offered under the Employer's health plans and to propose programs such as wellness or other health promotion programs.

2. It is the intent of the parties that the joint Health Insurance Labor-Management Subcommittee shall be comprised of the following members, equally divided between union and management representatives:

a. One member selected by each of the City bargaining units adopting this agreement, and one additional member selected by the Basic Unit, should it adopt this agreement;

b. The Chief Administrative Officer of the City or his/her designee; and

c. As many management representatives, or their designees, selected by the Chief Administrative Officer of the City, as are necessary to balance the Committee evenly between bargaining unit and management representatives;

d. There shall be one member selected by the City's retiree's organization.

3. The Health Insurance Labor-Management Subcommittee shall:

a. Establish by-laws for its organization and operation.

b. Recommend for negotiation the number and type of health insurance plans and the benefit levels in such plans that will be offered to City Employees and others participating in the City's health insurance program.

4. The joint Health Insurance Labor Management Subcommittee may, at its discretion, provide its views to the Board of Trustees on matters related to the operation of the Pool including, but not limited to:

a. the selection of the third party administrator for the Employer's health and dental plans;

b. the nature and costs of various service providers to the Pool;

c. the nature and costs of administrative services provided by the City to the Pool;

5. The Employer, as Member of the Joint Powers Enterprise, agrees to inform the joint Health Insurance Labor Management Subcommittee of the dates, times and locations of all meetings of the Board of Trustees and shall provide to the Subcommittee meeting materials related thereto.

13.14. Wellness Program

The Employer agrees to reimburse Employees who have completed their probations, for the annual cost of membership in a health or fitness program. The reimbursement shall be the lesser of the actual cost of an Employee's membership, or the equivalent of a basic one-year

membership at the Duluth YMCA. To become eligible for reimbursement, an Employee must submit to the City Auditor proof of payment made for the calendar year in which membership is in effect.

The Employee agrees that he/she shall apply for any corporate discount(s) available from the health or fitness program in which membership is held.

ARTICLE 14 - HOSPITAL-MEDICAL INSURANCE RETIRED EMPLOYEES

14.1. Any Employee who was hired on or before December 31, 2005, and who retires from employment with the City and is receiving, or has applied for and will, within sixty (60) days of retirement, ~~after attaining the age of 50, and who has been employed by the City for a period of time so as to be qualified to receive~~ retirement pension benefits from the Public Employees Retirement Association, and who actually receives retirement or disability benefits from PERA, shall receive hospital-medical benefit plan coverage to the same extent as active Employees ~~under Plan 3A. If the Employee worked for the City for more than 10 years, he or she must receive PERA retirement benefits within 5 years of the time of leaving City employment in order to receive the coverage.~~ If the Employee was hired on or before December 31, 2005 worked for the City for more than 20 years and retires on or before December 31, 2015, he or she must receive PERA retirement benefits within ~~8~~ 5 years of leaving City employment in order to receive the coverage. If the Employee receives PERA disability pension benefits after retirement, he or she shall qualify to receive the coverage. Coverage shall commence on the first day of the first month that the retired Employee is sent PERA benefits set out above. The coverage shall be subject to the following conditions and exceptions:

a. Any retiree or qualified dependent seeking benefits pursuant to this article who has attained the age of 65, or meets any condition that qualifies them to be eligible for Medicare Coverage "A" and "B," must obtain it, or lose any benefits hereunder until he or she obtains Medicare Coverage "A" and "B." Employees hired on or before March 31, 1986 are not required to obtain Medicare Coverage "A" if such coverage requires paying a monthly premium. Employees hired on or before March 31, 1986 must obtain Medicare Coverage "A" if they are eligible for free Medicare Coverage "A" due to previous or contemporaneous employment, or as the spouse, divorced spouse, or widow(er) of a Medicare covered individual.

~~b. The City will provide any eligible retired employee with or without claimed dependents the hospital-medical benefit provided active Employees, without any premium cost to the retiree after having been employed by the City for twenty (20) years.~~

~~c~~b. Any Employee hired on or before December 31, 2005, who retires from employment with the City and who meets the qualifications of Article 14.1 shall receive hospital-medical benefit plan coverage ~~under Plan 3A~~ to the same extent as active Employees paid for by the Employer and the eligible retired employee, with or without dependents, in accordance with the following schedule:

TOTAL YEARS (WHETHER CONTINUOUS OR NOT) OF SERVICE COMPLETED	PERCENT SHARE OF PREMIUM CONTRIBUTIONS	
	EMPLOYEE	EMPLOYER
5	75	25
6	70	30
7	65	35
8	60	40
9	55	45
10	50	50
11	45	55
12	40	60
13	35	65
14	30	70
15	25	75
16	20	80
17	15	85
18	10	90
19	5	95
20 and thereafter	0	100

~~d~~c. Such coverage shall be for the life of the retiree, but if the retiree dies before his or her spouse, such coverage shall be continued for such spouse until he or she dies or remarries, but any such coverage for such surviving spouse shall not include coverage for any dependents of such surviving spouse.

~~e~~d. Any Employee hired on or after January 1, 2006, who retires from City employment, and who otherwise meets the length of service and qualification requirements stated under Article 14.1. may elect to enroll in the City's hospital-medical plan in accordance with Article 14.1.a. and d. except that the cost of the premium will be entirely paid for by the Employee with or without dependents with absolutely no contribution by the City.

~~f~~e. For those Employees hired on or before December 31, 2005, who retire from City employment and who meet the length of service and qualification requirements stated under Article 14.1., the City may provide a 65 or older health insurance program in accordance with Article 14.1.a. in lieu of health care coverage provided active Employees, except that the health insurance program, when combined with Medicare, will provide coverage no less than the coverage provided active Employees. The health insurance program may be fully insured or self-insured at the option of the City and at the City's expense in accordance with the schedule in Article 14.1.e~~b~~. For those Employees hired on or after January 1, 2006, who retire from City employment and who meet the length of service and qualification requirements stated under Article 14.1.e~~d~~, participation in the 65 or older health insurance program will be in accordance with Article 14.1.a. and applicable federal or state laws, and entirely at the expense of the Employee with or without dependents with absolutely no contribution from the City.

14.2. Any person purchasing medical insurance coverage pursuant to a former, or this, agreement may continue to do so. When any such person ceases to so purchase medical coverage, the Employee shall no longer have any right to participate in any insurance plan or group created by this, or successor, labor agreement. This paragraph shall become inoperative when no former Employee is buying insurance coverage as here provided.

14.3. After thirty-six (36) months of continuous employment from the date of hire for any permanent full-time Employee hired on or after January 1, 2006, the Employer shall make a one time deposit of Twelve Thousand Dollars ($12,000) into a post-employment health care savings plan account, known as the Minnesota Health Care Savings Plan, administered by the Minnesota State Retirement System, which shall be established by the Employer in the name of the Employee. An Employee is only eligible for this retiree health care savings payment once in his or her lifetime. Deposited funds and accumulated interest shall be made available to the Employee as required by law.

14.4. In addition to the monthly pay prescribed elsewhere in this contract, and effective January 1, 2008, any full-time and permanent Employee shall receive, monthly, an amount equal to one percent (1%) of his/her Basic Monthly Pay deposited into a post employment health care savings plan account, known as the Minnesota Health Care Savings Plan, administered by the Minnesota State Retirement System, established by the Employer in the name of the Employee. Such deposit shall be computed to the nearest dollar per month.

ARTICLE 15 - DENTAL INSURANCE

15.1. The Employer agrees to make the same dental care coverage available to all eligible Employees and their families as it currently makes available, but the Employer agrees to pay only the entire cost for single coverage for each eligible Employee. The coverage cap shall be $1,500 through December 31, 2012. Effective January 1, 2013, the maximum annual coverage cap shall be $1,000. An Employee becomes eligible for this coverage on the first of month following date of hire. The Employer and the Union agree that any change in such coverage shall only be done through negotiations.

15.2. When an Employee elects to take family dental coverage, the Employee shall maintain such coverage for not less than two consecutive years. The Employee may cancel family dental coverage any time after the two consecutive year period. If an Employee again elects to take family dental coverage after canceling from a previous period, the Employee must again maintain the family dental coverage for another two consecutive year period. Employees will only be allowed to elect family dental coverage at the time he or she becomes eligible for single dental, or at the time of an open enrollment period for health care plans.

15.3. The Employee has the option to increase the annual dental insurance maximum benefit to $2,000 per person. The Employee will pay the additional cost of the benefit increase above what the City provides in Articles 15.1 and 15.2.

ARTICLE 16 - TERMINATION PAY

16.1. When an Employee leaves City employment, he or she shall be paid in full on the payroll covering the last day he or she actually worked for his or her salary due, the value of accumulated vacation time, and the value of unused compensatory time off, such value to be calculated based on his or her hourly rate at the time of his or her termination.

ARTICLE 17 - WORKER'S COMPENSATION

17.1. An Employee who suffers an injury compensable under the Worker's Compensation Act and is absent from work as a result thereof, shall be paid an amount by the Employer during such absence equal to the difference between the amount received by him or her under the Worker's Compensation Act and his or her Monthly Pay, including earned longevity award, ~~and the amount he or she would have received if he or she were regularly employed,~~ subject to the following:

17.2. For each ~~day~~ hour of work absence the Employee shall be charged for ~~three-fifths (3/5)~~one-third (1/3) of an hour ~~of a day~~ of sick leave. When the Employee's sick leave, vacation time and compensatory time benefits have been exhausted, he or she shall no longer receive any salary or wages from the Employer while absent from work, except as otherwise provided by Article 25.

ARTICLE 18 - LIFE INSURANCE

18.1. The Employer shall pay the full cost of $50,000 of group term life insurance for each eligible Employee. All employees shall receive such life insurance coverage on the first day of the month following the date of hire.

18.2. Such insurance terminates on the last day of the month in which an Employee terminates his employment. Employees are responsible to contact the Human Resources office at least one (1) month prior to termination to verify any insurance benefits due after termination.

ARTICLE 19 - LIFE INSURANCE - RETIREES

19.1. The Employer shall pay full cost of term life insurance for any Employee who retires from employment with the City on or after January 1, 1983, after having been employed by the City for such total time so as to be qualified by such employment to receive retirement benefits from the Public Employees Retirement Association, the Duluth Firemen's Relief Association, or the Duluth Police Pension Association. The amount of such insurance coverage shall be 50% of that provided for active Employees.

ARTICLE 20 - INCENTIVE AWARDS

20.1. In addition to all other compensation paid to an Employee pursuant to this Agreement, Employees may be given additional compensation or other employment benefits from time to time in accordance with the rules and regulations of the City Employee Incentive Awards Program. The rules and regulations for such program shall be established by the Mayor and shall be effective upon the filing of a copy of such rules and regulations in the office of the City Clerk. The Mayor may amend such rules and regulations from time to time and such amendments shall be effective thirty (30) days after filing a copy thereof in the office of the City Clerk.

ARTICLE 21 - SAFETY

The Employer agrees to maintain sanitary and safe working conditions.

ARTICLE 22 - SENIORITY

22.1. Seniority shall be determined by the Employee's length of service in his or her present job classification in the department in which he or she is presently working. Temporary employment defined under Article 3, subd. 1, shall not apply towards continuous employment for the purposes of determining the benefits provided by this contract.

22.2. Subject to the Employer's right to schedule overtime and determine the times at which vacations may be taken, vacation selection rights shall be determined within each department division by seniority.

22.3. The Employer and Union agree with the principle that seniority shall be a factor in making any Assignments.

22.4. The Union agrees to furnish the Employer with up-to-date lists upon request showing the present seniority of each Employee by job classification.

22.5. When calculating classification seniority, the following criteria shall be used:

a. An Employee who is reclassified to a higher position shall have his or her seniority date changed to the effective date of the reclassification.

b. An Employee who is reclassified to a position at the same salary range shall retain his or her previously established seniority date.

c. When an existing multi-incumbent class is entirely reclassified to a higher classification all affected Employees shall retain their previously established seniority date.

d. Ties shall be broken as provided by Article 30.1e.

22.6. This article shall not be construed to affect in any way the provisions contained in either Chapter 13 of the Duluth City Code or Article 30 regarding the layoff of Employees.

ARTICLE 23 - VACATION

23.1. Employees shall receive paid vacation time in accordance with to the following schedule:

Years of Continuous Service	Hours/Pay Period	Vacation Days/Year
0-4	3.47	12
5-8	5.48	19
9-12	6.64	23
13-16	7.22	25
17-20	8.08	28
21+		

23.2. In cases where an Employee has completed a sufficient number of years of service in the Police or Fire Department of the city to qualify for police or fire pension benefits, the period of service of such an Employee in the Police or Fire Department shall not be considered in computing vacation benefits under this article.

23.3. During any calendar year there shall be no limitation to the amount of vacation time that an Employee may accumulate.

23.4. Employees shall be allowed to have an accumulation of not more than 225 hours ~~the following amounts~~ of paid vacation time as of the end of the day on December 31 of each year:

~~a. Employees who are regularly scheduled to work 37.5 hours/week shall be allowed, during the first 25 years of continuous service in the bargaining unit, to carry over to a succeeding year a maximum of 315 hours of accumulated vacation.~~

~~b. Employees who are regularly scheduled to work 40 hours/week shall be allowed, during the first 25 years of continuous service in the bargaining unit, to carry over to a succeeding year a maximum of 336 hours of accumulated vacation.~~

~~c~~a. ~~Employees who have completed 25 years of continuous service in the bargaining unit shall be allowed to carry over to a succeeding year 500 hours of accumulated vacation.~~ Employees with an accumulation of more than the above stated maximum amounts of paid vacation as of the end of the day on December 31 of each year shall forfeit the amount of paid vacation that exceeds the maximum. The Employer shall not pay Employees for paid vacation time forfeited pursuant to this section.

b. All unused paid leave time over 225 hours accumulated by an Employee upon the end of the day of ratification of this Agreement shall be deposited permanently into an unused paid leave reserve bank for that Employee. Employees may use hours from their unused paid leave reserve bank but may not add additional accrued paid leave hours to their reserve bank after the bank has been established. The first one-third (1/3) of the Employee's unused paid leave reserve bank shall be converted into cash at his/her current rate of pay on the day after ratification of this Agreement and paid to the Employee. This cash payment shall be made within sixty (60) days following ratification of this Agreement. The second one-third (1/3) of the Employee's unused paid leave reserve bank shall be converted into cash at his/her current rate of pay as of January 1, 2013 and paid to the Employee within sixty (60) days after January 1, 2013. The remaining one-third (1/3) in the Employee's unused paid leave reserve bank shall be converted into cash at his/her current rate of pay as of January 1, 2014 and paid to the Employee within sixty (60) days after January 1, 2014. Employees who separate employment from Employer before their total unused paid leave reserve bank has been converted into cash and paid shall have all remaining unused paid leave reserve bank hours converted into cash at their current rate of pay upon separation and paid on the payroll covering the last day of employment. This Section (23.4(b)) shall expire and become null and void on December 31, 2014.

23.5. No Employee shall be allowed to use vacation time and no Employee shall be compensated for vacation time until he or she has been continuously and satisfactorily employed by the City for not less than six (6) months. No Employee shall use vacation time except at such time or times as the Appointing Authority may approve.

23.6. Any part-time Employee must work a minimum of eighty (80) hours during a calendar month to qualify for vacation time for such month, and he or she must have a minimum of five (5) such qualified months during a calendar year to receive vacation time credit for those months in which he or she worked not less than eighty (80) hours. Vacation time to be so allowed shall be calculated by prorating the number of hours worked during any such qualified calendar month with the number of hours that such part-time Employee would have worked during such qualified calendar month if he or she had then been employed full time.

23.7. In the event of death of any Employee, any vacation time accumulated to the credit of such deceased Employee shall be compensated for in cash and shall be paid in

accordance with Minnesota Statutes, Section 181.58, as amended. The value of such accumulated vacation time shall be based on the employee's hourly rate at the time of his or her death.

23.8. An Employee may donate all or part of his/her accumulated vacation to another Employee in the event of serious hardship or medical condition.

ARTICLE 24 - SICK LEAVE

24.1. Effective the first day of the month following the date of hire, an Employee shall be granted up to 120 working days of sick leave with full pay (paid sick leave) ~~for each illness or injury~~ during a calendar year, except that such minimum requirement of six months shall not be applicable in connection with any illness or injury arising out of and in the course of employment by the City. When an Employee is unable to or indisposed to report for duty for any of the reasons specified in Section 3 of this article, he or she shall immediately report such fact to his or her immediate supervisor. To qualify for paid sick leave, the Employee must report off prior to or within the first 30 minutes of his or her starting time, but must immediately report off when leaving his or her duties.

24.2. If an Employee's use of paid sick leave reasonably appears to be unjustified, the Appointing Authority may direct in writing to such Employee, for any subsequent absence by the Employee claimed to be allowable as paid sick leave, to furnish written explanation by a physician to justify the subsequent absence on paid sick leave; failure to furnish written explanation shall preclude the Employee from being allowed such absence as paid sick leave, but the Employee may appeal such directive to the Manager of Human Resources, Healthcare & Safety.

24.3. For purposes of this article, sick leave is defined to mean the absence of an Employee because of illness or injury, exposure to a contagious disease, or attendance upon a member of the immediate family; provided no Employee, unless officially assigned to special duty, shall be granted paid sick leave for any injury or illness resulting from any gainful employment on any job which is subject to the provisions of the worker's compensation laws of any state, other than regular City employment.

For the purposes of this section, immediate family is defined to include only any parent, child, brother, sister, spouse, grandparent, grandchild, son-in-law, daughter-in-law, brother-in-law, sister-in-law, or ward of the Employee, and any parent or grandparent of the Employee's spouse.

a. Illness in Family. Upon request, one (1) day of paid sick leave shall be allowed for care or attendance upon a member of the immediate family for critical illness, provided, however, three (3) days of paid sick leave shall be allowed for this purpose if supported by a written statement (explaining why the Employee's attendance is necessary) from the

attending physician. This use of paid sick leave is for emergencies when advance arrangements cannot be made and is limited to members of the immediate family.

b. Medical Appointments. An Employee must obtain prior approval from the Appointing Authority for the purpose of medical, dental, or optical examination or treatment, when such examination or treatment cannot be scheduled other than during working hours. Such absence on paid sick leave shall be approved only when the Employee has made a diligent effort to have such examination or treatment prior to his or her normal working hours, after work, or on a day off.

c. Paid Sick Leave on Vacation. Paid sick leave will not be allowed during a previously scheduled vacation unless the Employee is under the care of a physician because of an unexpected injury or illness and the Employee furnishes to the Manager of Human Resources, Healthcare & Safety a certificate, signed by the physician, indicating the number of days the Employee was actually confined to his or her home or hospital. The Employee will then receive paid sick leave for those days spent confined. If the Employee is exposed to a contagious disease and confined under doctor's orders, such Employee will be granted paid sick leave in lieu of vacation.

24.4. Temporary Disability. Any Employee who will be temporarily disabled for a period in excess of ten (10) working days may be offered an assignment to a position, which may have tasks or equipment modified to accommodate the Employee's medical restrictions, at such Employee's present rate of pay by the City in his or her present or lower classification, the duties of which the Employee is able to perform. If the City is not able to provide the Employee such assignment, the Employee may continue to remain on paid sick leave. If such assignment is refused by the Employee, and justification for the refusal is not provided by the Employee's physician, paid sick leave will be denied. Recognizing the varieties of illnesses and injuries and the Employee's ability to do the assigned work, each case will be evaluated on an individual basis. In case of dispute, the City may use its own physician in making the determination. The City reserves the right to review the assignment after every twenty (20) working days and to reassign the Employee to his or her regular duties or extend the period of assignment.

24.5. Permanent Non-Duty Disability. An Employee who has a permanent Non-Duty Disability, which prevents him or her from performing the duties of his or her classification, may request an investigation by the Chief Administrative Officer of what duties he or she may perform and the proper classification these duties fall under. The Chief Administrative Officer may then recommend to the Employee and the Appointing Authority that the Employee be demoted, transferred, reassigned, or terminated.

24.6. The Employee may be assigned or transferred temporarily to a lower class as provided in Section 4 above until final action is taken.

24.7. Duty-Connected Disability. An Employee who has become disabled which prevents the employee from performing the duties of the classification that the Employee held at

the time of his or her disablement, may request an investigation by the Chief Administrative Officer for a determination of what duties he or she may perform and the proper classification these duties fall under. The Chief Administrative Officer may then recommend to the Employee and the Appointing Authority that a Demotion to a lower class, Transfer of Employee, or the reassignment of the Employee's duties be made.

24.8. Any Employee removed from the payroll through the operation of this article, if he or she files with the Chief Administrative Officer at least once every three (3) months a statement from a physician which indicates that he or she is unable to perform the duties of his or her Position, shall be considered to be on leave not to exceed one (1) year and shall be reinstated in his or her Position upon filing with the Chief Administrative Officer a statement signed by a physician which indicates that he or she is physically fit to perform the duties of his or her Position, and the physician for such latter statement shall be chosen and compensated by the City.

24.9. Employee Assistance Program. Any absence approved by the Appointing Authority for participation in the Employee's Assistance Program shall be allowed as paid sick leave. When the Employee is under the Family Involvement Program, and it requires the spouse and/or the parent of the chemically dependent person to participate in the program, that time spent by the Employee to participate in this program shall be allowed as paid sick leave. As in the case with other paid sick leave, the Employee must report off sick and report the purpose for the use of such paid sick leave, but it will not be necessary for him or her to go into details.

24.10 Funeral Leave. Upon request, a maximum of five (5) days of paid funeral leave shall be granted an Employee for a death in the immediate family.

Absence for any funeral of other than a member of the immediate family may be granted on paid funeral leave, at the discretion of the supervisor, and shall not exceed one-half (½) work day.

For the purposes of this section, immediate family is defined to include only any parent, child, brother, sister, spouse, grandparent, grandchild, son-in-law, daughter-in-law, brother-in-law, sister-in-law, or ward of the Employee, and any parent or grandparent of the Employee's spouse.

ARTICLE 25 - LONG TERM DISABILITY INCOME

25.1. Any Employee who has been continuously employed by the City for not less than six (6) months in the classified and/or unclassified service shall be eligible for long-term income protection to age 70 for disability; however, there shall be no such protection for disability caused by any injury or illness for which the Employee received professional medical care or treatment within ninety (90) consecutive days prior to when the Employee otherwise becomes eligible for such protection, unless ninety (90) consecutive days elapse from the time when the Employee otherwise would be eligible for such protection and during such ninety (90)

consecutive days the Employee neither receives nor requires professional medical care or treatment for such injury or illness.

25.2. For the purposes of this Article, disability means that which is caused by illness or injury which occurs during the Employee's term of employment and which prevents the Employee from performing the major tasks of the Employee's Position.

25.3. Payment of benefits pursuant to this Article to a disabled Employee shall commence when the Employee has a disability pursuant to ~~exhausts his or her allowance of 120 days of sick leave with full pay provided by Article 24 of~~ this Agreement. The amount of such payments shall be 65% of the Employee's Basic Hourly Rate as of the time that Employee's sick leave is exhausted, or the parties agree to commencement of such payments, but shall not exceed an amount equivalent to a monthly rate of pay of $3,500; however, for any pay period, the amount of such payment shall be reduced by any amount that the Employee receives for such pay period as a retirement or disability pension from the Public Employees Retirement Association, the Duluth Firemen's Relief Association, the Duluth Police Pension Association, or from the federal government pursuant to the federal Old-Age, Survivors and Disability Insurance Act, and by any other disability insurance or disability annuity payment, and by any amount that the Employee receives as worker's compensation in lieu of wages or salary. Any cost of living adjustment to any amount received as a retirement or disability pension or as worker's compensation shall not be used to reduce the amount of such payment. The amount of such payment for any pay period shall also be reduced by any amount that the Employee receives as wages or salary during that pay period, but only when the total amount that the Employee has received for wages or salary during the calendar year exceeds $5,000.

25.4. a. Payment of benefits due under this Article shall be calculated for each regular pay period, and shall be paid for the period at the same time as Employees are then paid pursuant to Article 12 of this Agreement. For any pay period the City may deduct from the payment of benefits any amount which the Employee previously received as payments of benefits but to which the Employee was not entitled because of the provisions of this Article.

b. As benefits due under this Article, the Employer may offer to any Employee who is disabled an assignment, at such Employee's present rate of pay, to any Position, or one with tasks or equipment modified to accommodate Employee's medical restrictions, in his or her present or lower classification, the duties of which the Employee is medically able to perform. Such assignment shall not result in the denial of promotion to, or the layoff of, a classified Employee.

25.5. Within 24 months from the date of injury or illness causing such disability, if the Employee is still receiving benefits pursuant to this Article, the Employee shall:

a. Return to the Position with the City which the Employee occupied when he or she became disabled; or return to a Position with the City, which may have tasks or equipment modified to accommodate Employee's medical restrictions, for which the Employee is

qualified, if such Position is available; but only if the Employee provides written information from a physician, chosen and compensated by the City, which indicates that the Employee is then capable of performing the duties of such Position; or

b. Request rehabilitation or retraining designed to return the Employee to other work which produces an economic status as close as possible to that enjoyed by the Employee before the illness or injury; the costs of such rehabilitation and/or retraining shall be borne by the City; such rehabilitation or retraining may include, but is not limited to, medical evaluation, physical rehabilitation, work evaluation, counseling, job placement, and implementation of on-the-job short-term training; or

c. Apply for permanent total disability status. Total disability, (as defined in Minnesota Statute 176.101, Subdivision 5) means the total and permanent loss of the sight of both eyes, the loss of both arms at the shoulder, the loss of both legs so close to the hips that no effective artificial member can be used, complete and permanent paralysis, total and permanent loss of mental faculties, or any other injury which totally incapacitates the Employee from working at an occupation which brings him or her an income.

25.6. Receipt of long-term disability income protection benefits shall cease at the expiration of 24 months from the date of injury or illness causing such total disability unless the Employee has complied with Section 25.5 of this Article and has been determined to be returned to work, or to be rehabilitated and/or retrained, or to be eligible for continuing total disability benefits because he or she is disabled as defined in paragraph 25.5c). Such determination shall be based upon verification by the Employee's treating physician, or a physician appointed by the City, that the determination is consistent with the employee's medical condition. If there is disagreement with the Employer's determination, it shall be resolved pursuant to the Grievance procedure of Article 33.

ARTICLE 26 - LEAVES OF ABSENCE

26.1. Any Employee who for any reason approved by the Appointing Authority desires to secure leave from his or her regular duties, may, on written request approved by the Appointing Authority, be granted special leave of absence without pay for a period not exceeding one (1) year, provided; however, any leave that exceeds thirty (30) calendar days must also be approved by the Chief Administrative Officer.

26.2. Any Employee asking for special leave without pay shall submit his or her request in writing, at least fifteen (15) calendar days prior to the date the Employee desires the leave, stating the reasons why in the Employee's opinion the request should be granted, the date when the Employee desires the leave to begin and the probable date of the Employee's return.

26.3. The Appointing Authority or Chief Administrative Officer shall respond within five (5) calendar days of the request for each special leave of absence without pay in writing, stating if the leave is to be approved, whether the Employee granted such leave shall be entitled

to his or her former Position upon the Employee's return from such leave or whether his or her name shall be placed on the re-employment list for the class for which the Employee is classified.

26.4. No benefits or seniority shall be lost by the Employee during leaves of thirty (30) calendar days or less. No benefits or seniority shall be accrued after the first thirty (30) calendar days of any leave. Any Employee wishing to be covered under the City's insurance plans may for the first six (6) months of such leave pay the Employee's and the Employer's share of the cost of coverage.

26.5. Leave of absence without pay for a period of less than thirty (30) calendar days may be granted by a department head. Leaves of absence for over three (3) consecutive days should not be approved by any department head except for the following reasons:

a. When it is shown that the City will benefit from such leave.

b. Personal or family emergency.

c. As provided for in Section 26.6 of this Article.

d. Service upon a Board or a Commission where such leave is required for attendance at such meeting, and/or will benefit the City.

26.6. Military leave of absence shall be granted with pay for up to fifteen (15) days per year as required by Minnesota Statutes, Section 192.26, or any act amendatory thereof. Where possible, all military leaves with pay shall be taken while the Employee is not working, and no Employee under this agreement shall request of the military unit to which the Employee is assigned, or the Commander thereof, that the Employee be assigned or authorized military duty for which the Employee would be entitled to leave with pay from the City during the time the Employee is working.

26.7. City Employees who are officers or appointed representatives of the Employees' organization or appointed to its staff for the purpose of performing services for such organization shall be afforded reasonable time off for the purposes of conducting the duties of the Employee organization; and shall, upon request, be provided with leaves of absence to the elected or appointed capacity of the exclusive representative as required by law.

26.8. An Employee accepting an appointed Position with the City shall be on a leave of absence during the period of such appointment and upon the expiration of such appointment shall be reinstated to the class held prior to such appointment.

ARTICLE 27 - TRANSFERS AND DEMOTIONS WITHIN CLASSIFIED SERVICE

27.1. The Transfer of an Employee from a Position in one class to another Position in the same class in the same department shall be called an assignment and may be made by the

Appointing Authority; provided, that if change in the rate of compensation is involved, the assignment may be made only if the consent of the Board is obtained.

27.2. Departmental Transfers. The Transfer of an Employee from a Position in one job title to another Position in the same job title in a different department shall be called a departmental Transfer, and may be made only with the consent of the Appointing Authority or authorities concerned and the Employee; provided, that if, in the judgment of the Appointing Authority of the department to which the Employee is Transferred, the services rendered by the Employee are not satisfactory, or if the Employee feels that the new Position is unsatisfactory, such Employee shall be returned to his original Position at any time within thirty (30) calendar days after the department Transfer is made.

27.3. Any Employee who desires to be Transferred may inform the Chief Administrative Officer in writing of such desire, stating the reasons therefor, and the Chief Administrative Officer shall, if he or she considers the reasons sufficient and if he or she thinks such Transfer will be for the good of the City service, call to the attention of the Appointing Authorities concerned the desire of the Employee to be Transferred when a Position in some other departmental unit becomes vacant; provided, that the Chief Administrative Officer may himself or herself take the initiative recommending Transfer when he or she considers such actions for the good of the City service.

27.4. The Voluntary Transfer of an Employee shall result in suspension of seniority in the original department; provided, that return to the original department shall revive the seniority so suspended. No seniority shall be lost in involuntary Transfers.

27.5. a. Upon the request of an Employee and the Appointing Authority an Employee may be reclassified from a higher to a lower classified Position, which in the discretion of the Appointing Authority, the Employee is eligible to fill.

b. The Appointing Authority proposing the Demotion of an Employee shall make his or her recommendation in writing to the Chief Administrative Officer, and shall supply the Employee with a copy of such recommendation, and such recommendation shall give the future date on which the proposed Demotion is to become effective, the class to which it is proposed to demote the Employee, the new rate of pay, and any other information that the Chief Administrative Officer may require; including the specific reasons why the Demotion is being recommended; provided, that the recommendation shall also advise the Employee that he or she may grieve pursuant to Article 33 of this agreement if he or she does not agree with the appointing authorities recommendations.

c. Upon the decision of the Chief Administrative Officer to approve a recommendation of Demotion, he or she shall submit said approved recommendation to the next Civil Service Board meeting for the appropriate classification changes.

ARTICLE 28 - DISCIPLINE, SUSPENSIONS, REMOVALS

28.1. Discipline.

Disciplinary action may be imposed upon an Employee only for just cause. Disciplinary action may be grieved by the Employee through the regular Grievance procedure as provided in Article33. Disciplinary action shall include only the following: 1) written reprimand; 2) suspension; 3) Demotion; and 4) removal. Except in the case of a severe breach of discipline any suspension, Demotion, or removal action shall be preceded by a written warning. An Employee shall be given the opportunity to have a Union representative present at any questioning of the Employee during a meeting with a Manager or the Appointing Authority for the purpose of determining what disciplinary action against the Employee will be taken. If the Appointing Authority has reason to reprimand an Employee, it shall be done in a manner that will not embarrass the Employee before other Employees or the public.

28.2. Suspensions.

a. The Appointing Authority or any Manager acting for him or her in his or her absence, may for disciplinary purposes suspend without pay any Employee under his or her supervision from the performance of his or her duties.

b. Employee to be Notified of Suspension. In case the Appointing Authority or the supervisor acting in his or her place suspends any Employee, he or she shall forthwith give written notice to the suspended Employee stating the reason for the suspension and the duration thereof, and shall forthwith personally deliver such written notice to the Employee or send by certified mail to his or her last known address; he or she shall also forthwith send to the Union a copy of such notice sent to the Employee. Such notice shall also advise the Employee that he or she may grieve pursuant to Article 33 if he or she disagreed with the action of the Appointing Authority.

28.3. Removals.

a. An Appointing Authority may remove any Employee who has completed the probation period prescribed in accordance with ~~Sec. 13-69 of~~ the Duluth Civil Service Code (Duluth City Code Chapter 13) only for just cause.

b. Any charges filed against any Employee shall state specifically the just cause or causes the Appointing Authority feels are sufficient to constitute grounds for removal, and in addition, the specific act or acts of such Employee constituting such cause; provided, that in no case shall such vague and indefinite charges as "for the good of the City" be considered for removal and that in no case may an Employee be removed on account of their religious or political opinions or affiliations or for refusing to contribute to a political fund or to render political service.

c. Any Employee proposed to be removed for just cause, shall be notified in writing of the charges against him or her, the date of separation, and the rights of the Employee to file a formal Grievance under the union contract. The Appointing Authority shall forthwith personally deliver such written notice to the Employee or send by certified mail to the Employee's last known address and shall also forthwith send to the Union a copy of such notice sent or delivered to the Employee.

28.4. If the Employee being removed files a Grievance, or demands a veterans hearing the Employee shall be placed on suspension without pay until the Grievance is resolved except during the time where suspension without pay is prevented by law.

28.5. When an Employee is removed, or suspended pending removal, the Employee may utilize the arbitration procedure or the civil service board hearing procedure to review the removal, but the Employee must choose to use only one of the procedures, and shall be allowed only one hearing procedure to review the removal.

ARTICLE 29 - RESIGNATIONS

29.1. Any Employee who wishes to resign in good standing shall give the Appointing Authority written notice of at least two (2) weeks, unless the Appointing Authority consents to his or her leaving on shorter notice. Such notice of resignation shall be forwarded forthwith to the secretary by the Appointing Authority, together with a report as to the character of the Employee's services.

29.2. If any Employee resigns without giving the required notice, the secretary shall enter that fact on his or her roster card, and such failure to give the required notice may be considered sufficient reason for rejecting any future application from him or her to enter tests.

29.3. Any Employee who has resigned after giving proper notice may, within thirty (30) days after termination of employment, and with the consent of the Board, withdraw his or her resignation and be restored to the position vacated if such position is still in the classified service, and if it is still vacant or is filled by a provisional Employee; if it is not thus available, he or she may, upon written request to the secretary, have his or her name placed on the re-employment list for the appropriate class. A person who returns to employment pursuant to this paragraph shall not forfeit his or her seniority held before resignation.

29.4. Any Employee who is absent from duty for three (3) consecutive business days without securing leave from his or her superior officer or without notifying him or her of the reason for his or her absence and the time when he or she expects to return, or who fails to notify the secretary of his or her readiness to resume his or her duties within five (5) days after the expiration of a leave of absence, shall be considered to have resigned, and such resignation shall be treated as a resignation without notice and a report thereof made to the secretary.

ARTICLE 30 - LAYOFFS OF EMPLOYEES

30.1. When it becomes necessary, through lack of work or funds, or to obtain efficiencies, or for other causes for which an Employee is not at fault, to reduce the number of Employees within a department, the following procedure shall apply:

a. All temporary, all non-classified provisional, and substitute Employees shall be the next to be laid off within a department.

b. Permanent Employees who are substituting or temporarily filling a vacant position shall, during any layoff, return to their permanent position.

c. Permanent Employees who are promoted provisional shall, during any layoff, return to their former permanent position.

d. Lay-off shall be done in the reverse order in which the affected Employees' names appear on the seniority roster (names of least senior Employees shall appear toward the bottom of the roster and shall be laid off first). Seniority rosters by classification shall be maintained by the union and made available to the employer upon request. For purposes of the order of names on the seniority roster, seniority shall be determined first by the total Department years as a permanent Employee in the classification. If a tie then exists in seniority years, then seniority order shall be determined by total years of permanent classified service with the city. Then, if a tie still exists, the order of seniority shall be determined from an average of the three most recent Employee efficiency ratings. If less than three ratings are available, then the number of available ratings shall be used. The highest ratings average shall result in the highest position on the seniority roster.

e. Once each year, an Employee, in writing to the Union and the department Manager, may direct that his/her name be placed in a designated, lower position on the seniority roster. The Employee may do this only voluntarily, of his/her own free will, and in total absence of coercion. If the requirements of this paragraph are met, the Employee's name shall be placed in the designated order on the seniority roster, and lay-off order will thus be changed. If Union, Employer, or Employee believe the Employee's action under this paragraph is not fully voluntary, a Grievance may be filed.

f. Bumping: When an Employee is laid off in such class in the work force, he or she shall be permitted to exercise his or her seniority rights to bump -- replace an Employee with less seniority. Such Employee may, if he or she so desire, bump any Employee in a lower job classification provided the bumping Employee has greater seniority than the Employee whom he or she bumps and shall be accomplished according to the following procedure.

(1) Elimination of a position in a job series, other than entry level and where an Employee is affected, the following bumping procedure shall apply:

(a) The least senior Employee(s) in the lowest class in a job series shall be laid off first.

(b) Employee(s) in the next higher class shall be given the option to bid on the vacant position(s) by total seniority. If no Employee(s) choose to take the lower position, the least senior Employee(s) shall be required to fill the lower position. This procedure shall be followed in each higher class until the position which was eliminated is reached.

(c) Any Employee who is the least senior and who chooses not to take a lower position shall be placed on the re-employment list and the laid off Employee in the class so affected shall be rehired if laid off.

(2) When a position that is not in a negotiated job series is eliminated, the Employee lowest (least senior) on the seniority roster shall be laid off first.

30.2. Provided, further, that any person laid off under the provisions of this section shall have the same rights with respect to seniority in the higher job class as if he or she had been actually so employed.

30.3. For the purposes of this article, all Employees in the clerical or stenographic series are to be considered as one (1) department. Total continuous employment with the City shall apply.

30.4. For the purposes of this article, job class shall be defined to mean a job title that has been classified by the Civil Service Board or by the City Council as a permanent position within the City.

30.5. For the purposes of this article, series of job classes shall be defined to mean a series of job titles sufficiently similar in respect to the duties, responsibilities and authority thereof that the same descriptive title may be used to designate each position allocated to the job title, that the same requirements as to education, experience, capacity, knowledge, proficiency, ability may be used to choose the qualified Employee. All series of job titles shall be determined by the Personnel Committee. "Series of Job Titles" does not refer to a list of jobs held by a particular Employee during tenure with the City.

30.6. Demotions made in accordance with this article are not subject to the requirement contained in the Demotion article, but are subject to the Grievance procedure, Article 34.

30.7. The Appointing Authority shall notify in writing the Employee or Employees to be laid off at least ten (10) working days prior to actual layoff and shall forthwith transmit to the Civil Service Board and the Union the names of those so notified.

30.8. An Employee who is laid off for cause not attributable to the Employee pursuant to this Article, and ceases to be employed by the employer shall be entitled to severance pay in an amount not less than two months salary payable under this contract for the position the Employee permanently occupied at the time of lay-off. The right to severance pay attaches at the time of lay-off. For convenience of the Employer, the severance pay is payable in installments at the times specified in article 12, and at the rate of the position from which he or she was laid off.

30.9. If the Employee is recalled to work, or offered work by the employer at the same or higher salary than that at which Employee was paid at the time of lay-off, than the Employee shall forfeit back to the employer any amount of severance pay not already paid to the Employee. If the Employee is laid-off from this re-employment position, then the city shall pay, in the manner specified above, the amount of severance pay that would have been payable had the Employee not forfeited it by being recalled to work.

30.10. If the Employee is recalled to work the Employee shall retain his or her seniority date and seniority years of service, excluding time in excess of thirty days that Employee was laid off.

ARTICLE 31 - RE-EMPLOYMENT LIST

31.1. The name of any Employee who has been laid off shall be placed on the re-employment list. The Employer shall enter on the appropriate re-employment list(s) the names of those eligible for re-employment and those who desire to be re-employed when vacancies occur in the class(es).

31.2. The names shall be arranged on the re-employment list for each class and all lower classes in the same series, in the order of their total seniority in that and higher classes; provided, that if any Employee has not been re-employed, the Manager of Human Resources, Healthcare & Safety shall, on or about the anniversary date of the layoff, contact each person laid off by certified mail to determine if such person is interested in remaining on such lists. If the person is no longer interested, or without giving a satisfactory reason, refuses to accept an appointment offered him or her, the Manager of Human Resources, Healthcare & Safety may remove his or her name from any re-employment list. An Employee refusing to accept an appointment for a position in a lower class than the one from which he or she was originally laid off shall have his or her name removed from such list.

ARTICLE 32 - JURY DUTY

32.1. Employees shall receive a leave of absence with pay for any required appearance for jury duty; provided, however, that if an Employee is released from such duty prior to the expiration of his or her normal work day, he or she shall immediately return to his or her job and continue his or her duties as an Employee.

ARTICLE 33 - GRIEVANCE PROCEDURE

33.1. An Employee or group of Employees with a Grievance shall within twenty-one (21) calendar days after the first occurrence of the event giving rise to the Grievance present such Grievance through the Union in writing to the appropriate department head or, in the absence of such department head, to the department head's authorized representative.

33.2 Within five (5) calendar days after receipt of a copy of the Grievance, the Chief Administrative Officer or his/her designee shall assign a fact finder to investigate the Grievance. The factfinder shall, within twelve (12) calendar days of such assignment, make a written report of his/her findings to the Chief Administrative Officer, the department director, and the Union.

33.3. The department head or his or her authorized representative shall present the Employer's position in writing to the Employee or Employees and the Union within twelve (12) calendar days after receipt of such Grievance. Grievances not resolved within the department must be presented by the Employee or Employees through the Union in writing to the Chief Administrative Officer within twelve (12) calendar days after the department head has given his or her reply to such Grievance. The Chief Administrative Officer shall reply in writing to the aggrieved Employee or Employees and the Union within twelve (12) calendar days after receipt of such Grievance. The resolution of Grievances settled by the procedures set forth in this paragraph shall be reduced to writing and signed by the Employee or Employees, the Union and the Employer.

33.4. If the Grievance is not settled in accordance with the foregoing procedure, the Union may, within twelve (12) calendar days after receipt of the reply of the Chief Administrative Officer submit the Grievance to arbitration by serving notice in writing of such submittal upon the Chief Administrative Officer. Either party may request the Bureau of Mediation Services of the State of Minnesota to submit a panel of either five (5) or seven (7) arbitrators. The parties shall each have the right to alternately strike a name from the panel until one remains. If the parties are unable to agree on who shall strike the first name, the question shall be decided by a flip of the coin. The remaining person shall be the arbitrator. The arbitrator shall be notified of his or her selection by a joint letter from the parties requesting that he or she set a time and a place for a hearing on the Grievance, subject to the availability of the parties.

33.5. The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the provisions of this Agreement. He or she shall consider and decide only the specific issue(s) submitted to him or her in writing by the parties, and shall have no authority to make a decision on any other issue not so submitted to him or her. More than one (1) Grievance may be heard by the same arbitrator by mutual agreement of the parties. Either party may, if it desires, submit a brief to the arbitrator setting forth its position with respect to the issue(s) involved in a Grievance. The arbitrator shall be without power to make decisions contrary to or inconsistent with or modifying or varying in any way the application of laws and rules and

regulations having the force and effect of law. The arbitrator shall submit his or her decision in writing to the parties and shall file a copy of such decision with the Bureau of Mediation Services of the State of Minnesota. The decision shall be based solely upon his or her interpretation of the meaning or application of the express terms of this Agreement to the facts of the Grievance presented.

33.6. The decision of the arbitrator shall be final and binding upon the parties, except that an appeal may be taken to the District Court on the grounds that the order of the arbitrator violates the guidelines imposed upon him or her by the provisions of this article.

33.7. The fee and expenses of the arbitrator shall be divided equally between the parties; provided, however, that each party shall be responsible for compensating its own representatives and witnesses. If either party desires a verbatim record of the arbitration proceedings, it may cause such a record to be made, providing it pays for the record. If both parties desire a verbatim record of such proceedings, the cost shall be shared equally.

33.8. If a Grievance is not presented within the time limits set forth above, it shall be considered waived. If a Grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the Employer's last answer. If the Employer does not answer a Grievance or an appeal thereof within the specified time limits, the Employee or Employees or Grievance Committee may elect to treat the Grievance as denied at that step and immediately appeal the Grievance to the next step. The time limit in each step may be extended by mutual written agreement of the parties involved in each step.

33.9. All documents, communications, and records dealing with a Grievance shall be filed separately from the personnel files of the Employees involved. Access to all information necessary to the determination and processing of a Grievance shall be made available to all participants.

33.10 If, as a result of the reply of the Chief Administrative Officer or his/her designee's response in Section 33.2, the grievance remains unresolved and if the grievance involves the suspension, demotion, or discharge of an Employee who has completed the required probationary period, the grievance may be appealed either through this Article or to another procedure such as Veterans Preference or fair employment. If appealed to any procedure other than this Article, the grievance shall not be subject to the arbitration procedure provided in this Article. The aggrieved Employee shall indicate in writing which procedure is to be used –this Article or an alternative procedure – and shall sign a statement to the effect that the choice of an alternate procedure precludes the Employee from making an appeal through this Article.

The election set forth above shall not apply to claims subject to the jurisdiction of the United States Equal Employment Opportunity Commission. An Employee pursuing a remedy pursuant to a statute under jurisdiction of the United States Equal Employment Opportunity Commission is not precluded from also pursuing an appeal under the grievance procedure of this

Agreement. If a court of competent jurisdiction rules contrary to the ruling in *EEOC v. Board of Governors of State Colleges and Universities*, 957 F. 2d 424 (7th Cir.) *cert. denied*, 506 U.S. 906 (1992), or if *Board of Governors* is judicially or legislatively overruled, this paragraph of this Section 33.10 shall be null and void.

ARTICLE 34 - CIVIL SERVICE RULES

34.1. The Employer and Union agree that Grievances regarding the interpretation or application of provisions contained in ~~both~~ this Agreement ~~and Chapter 13 of the Duluth City Code, which deals with Civil Service,~~ shall be resolved pursuant to the Grievance procedures contained in Article 33 of this agreement.

34.2. The Union shall be afforded the opportunity to discuss contemplated changes to the Civil Service Rules with the Employer.

34.3. In addition to the authority and responsibility conferred upon the Civil Service Board by the City Charter and the other provisions of Chapter 13 of the Duluth City Code, the Board shall act in accordance with the authority and responsibility conferred upon it by any provision of this collective bargaining agreement.

~~34.4. Whenever tests are to be held to establish an eligible list for any class, the Civil Service Board, after securing the recommendation of the Appointing Authority, shall decide as to whether promotion or original entrance tests, or both, shall be held. If both promotion and original entrance tests are held, the tests will be identical in nature and scored as separate categories.~~

34.~~5~~4 The parties agree with and encourage the City's efforts to hire new Employees on the basis of qualifications, and without regard to minority, gender, or disability status. The parties support the City's efforts to recruit, hire, and promote protected class members, as set out in the City's approved affirmative action plan.

ARTICLE 35 - LABOR-MANAGEMENT AND PERSONNEL COMMITTEE (S)

35.1. Labor Management Committee. The Union will work with Employer to create a bona fide labor management committee with the assistance of the Bureau of Mediation Services for the continuing purpose of meeting and discussing matters of mutual concern. The Union and Employer agree that the goal is to establish a city-wide labor management committee which shall consist of an equal number of appointed management and city bargaining unit representatives. The city-wide labor management committee has the authority to establish labor management subcommittees, including the joint Health Insurance Labor Management Subcommittee provided for in Article 13.13, monitor their progress, forward subcommittee recommendations to the administration, and dissolve subcommittees. The city-wide labor management committee shall operate on a recommendation basis only, and the committee chairs shall mutually determine all questions of process, procedure and agenda content. The labor-management subcommittees

shall be responsible for collaboratively addressing common interests that may include, but are not limited to the following:

Budget related issues
Working environment
Health and safety issues
Work process and customer service improvement
Employee recruitment and retention

35.2 Personnel Committee. A Committee consisting of one (1) representative of the Union and one (1) representative of the Employer shall be established for the purposes of carrying out the following functions during the period of this Agreement:

Upon the request of either the Union or Employer the Personnel Committee shall meet to discuss job audits and related issues. Unless otherwise stated below, all requests for job audits for the purpose of determining whether the specifications for a job title should be amended, whether certain positions should be reclassified to a different job title, or whether there is a need to establish a new job title to describe an existing position shall be reviewed by the Personnel Committee prior to staff audit work.

Upon completion of staff audit work, a copy of the audit shall be sent to the union no later then fourteen calendar days prior to the date it is scheduled on the Civil Service Board Agenda.

35.3. The Personnel Committee shall meet and negotiate the pay rate for:

a. Any new or modified job specification or title resulting from a job audit.

b. Any new position with a new title created unrelated to a job audit.

35.4. If the Employer decides to establish any apprenticeship programs for Employees in the unit, then the Personnel Committee shall meet to confer about the establishment of apprenticeship programs. That Committee shall establish a separate set of standards for training and apprenticeship for Employees covered by this agreement. That Committee shall approve all apprenticeship programs, including training programs, course content, the development of a monitoring system to comply with the programs that are established, and the development of a verification procedure for compliance. If the Employer and Union representatives on the Committee mutually agree on such a program, a supplemental agreement shall be prepared and recommended for approval by the City Council.

ARTICLE 36 - COMPLETE AGREEMENT AND WAIVER OF BARGAINING

36.1. The parties acknowledge that the provisions contained in this Agreement constitute the entire agreement between the parties and the provisions of this Agreement are not subject to renegotiation, except with the mutual consent of the parties.

ARTICLE 37 - UNION RIGHTS

37.1. All new Employees shall be informed by the employer that the union is the exclusive representative of Employees in the unit. The Employer shall provide each new Employee with a copy of this Agreement, together with a list of the officers of the union, and designated steward in the Employee's department. All new Employees shall also be informed that a fair share fee in lieu of union membership may be charged by the union as provided by state law.

ARTICLE 38 - REOPENERS

38.1. The parties agree to meet and confer in the Health Insurance Labor Management SubCcommittee for appropriate changes in Medical Insurance Plan, and Long Term Disability Plan, to achieve reasonable and conservative cost containment suggestions, and then negotiate contract changes, if possible. ~~If the cost of medical insurance exceeds $300 per month for a covered Employee, the parties, upon request, shall meet and negotiate about the applicable provisions.~~

ARTICLE 39 - COMPARABLE WORTH

39.1. The Employer agrees to comply with current comparable worth laws. If any changes are necessary, they will be negotiated with the bargaining unit.

ARTICLE 40 - UNIVERSAL LANGUAGE

40.1. The parties agree that in matters of medical and dental plan benefits premiums, and sharing of plan costs between Employer and Employee, it is beneficial to both parties to achieve language that is universal in all City bargaining unit agreements. If during the term of this agreement, the Employer enters into an agreement with another City bargaining unit that affects such language, the parties agree to meet and negotiate contract changes to achieve universal language, if possible.

ARTICLE 41 - DURATION OF AGREEMENT

41.1. This Agreement shall be effective as of the 1st day of January, ~~2011and~~ 2012 and shall remain in full force and effect through the 31st day of December, ~~2011~~2014, and from year to year thereafter unless either party shall give written notice to the other party of such party's desire to initiate bargaining discussions over changes of any one (1) or more of the provisions contained in this Agreement, such notice to be given not more than ninety (90) days nor less than sixty (60) days prior to the date in any year that the parties are required by Minnesota law to have an executed agreement for the following year. If one (1) party initiates bargaining discussions over proposed amendments or additions to this Agreement, the other party may submit in writing to the party initiating bargaining a list of proposed amendments or additions to this Agreement not later than twenty-one (21) days after receipt of notice of initiation of bargaining.

41.2 Upon the Agreement expiration date of December 31, 2014, all Employees shall remain at their current step and shall not be eligible for any step progression or increases in longevity pay until a new agreement is reached by the parties, unless Employer is unwilling to meet to negotiate with Union within two (2) months prior to expiration of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

CITY OF DULUTH

By_____
Mayor

Attest_____
City Clerk

By_____
Chief Administrative Officer

CONFIDENTIAL UNIT OF THE CITY OF DULUTH represented by Chicago and Midwest Regional Joint Board, affiliated With Workers United/SEIU

By_____
Business Agent

By_____
Union Steward

Approved:

_____
City Attorney

Countersigned:

_____
City Auditor

APPENDIX I

Employees shall be assigned to pay ranges according to their job classification as follows:

CLASSIFICATION	RANGE	JOB CLASS NO
Administrative Secretarial Specialist (Confidential)	7	1813
Administrative Clerical Specialist (Confidential)	6	1814
Clerical Specialist (Confidential)	3	4324
Clerical Technician (Confidential)	1A - 2E (1)	4433
City Investigator and Claims Agent	10	3210
Employee Benefits Administrator	10A	3221
Employee Benefits Representative	10	3233
Executive Assistant	9	1809
Human Resources Administrator	11	1734
Human Resources Generalist	10	3222
Human Resource Technician	9	1821
Labor Relations Specialist	10A	1360
Manager, Human Resources, Healthcare & Safety	13-14	1321
Paralegal (Confidential)	9	3234
Payroll Administrator	10A	1736
Secretarial Specialist (Confidential)	3	4325
Senior Clerical Specialist (Confidential)	5	4239
Senior Secretarial Specialist (Confidential)	6	4236

~~2011 PAY RANGE SCHEDULE~~

~~No.~~	~~Range Step A~~	~~Step B~~	~~Step C~~	~~Step D~~	~~Step E~~
~~1~~	~~2087~~	~~2176~~	~~2257~~	~~2350~~	~~2451~~
~~2~~	~~2257~~	~~2350~~	~~2453~~	~~2553~~	~~2662~~
~~3~~	~~2350~~	~~2453~~	~~2553~~	~~2658~~	~~2786~~
~~4~~	~~2553~~	~~2662~~	~~2782~~	~~2913~~	~~3022~~
~~5~~	~~2783~~	~~2913~~	~~3024~~	~~3159~~	~~3295~~
~~6~~	~~2913~~	~~3024~~	~~3159~~	~~3295~~	~~3439~~
~~7~~	~~3159~~	~~3300~~	~~3443~~	~~3615~~	~~3786~~
~~8~~	~~3439~~	~~3593~~	~~3757~~	~~3934~~	~~4105~~
~~9~~	~~3593~~	~~3757~~	~~3930~~	~~4105~~	~~4291~~
~~10~~	~~4344~~	~~4566~~	~~4794~~	~~5029~~	~~5271~~
~~10A~~	~~4681~~	~~4918~~	~~5160~~	~~5411~~	~~5677~~
~~11~~	~~5020~~	~~5268~~	~~5527~~	~~5794~~	~~6081~~
~~12~~	~~5362~~	~~5626~~	~~5886~~	~~6212~~	~~6544~~
~~13~~	~~5728~~	~~6014~~	~~6315~~	~~6630~~	~~6962~~
~~14~~	~~6187~~	~~6496~~	~~6821~~	~~7161~~	~~7519~~

2012 PAY RANGE SCHEDULE

No.	Step A	Step B	Step C	Step D	Step E
1	2108	2198	2280	2374	2476
2	2280	2374	2478	2579	2689
3	2374	2478	2579	2685	2814
4	2579	2689	2810	2942	3052
5	2811	2942	3054	3191	3328
6	2942	3054	3191	3328	3473
7	3191	3333	3477	3651	3824
8	3473	3629	3795	3973	4146
9	3629	3795	3969	4146	4334
10	4387	4612	4842	5079	5324
10A	4728	4967	5212	5465	5734
11	5070	5321	5582	5852	6142
12	5416	5682	5945	6274	6609
13	5785	6074	6378	6696	7032
14	6249	6561	6889	7233	7594

2013 PAY RANGE SCHEDULE

No.	Step A	Step B	Step C	Step D	Step E
1	2150	2242	2325	2421	2525
2	2325	2421	2527	2630	2742
3	2421	2527	2630	2738	2870
4	2630	2742	2866	3001	3113
5	2867	3001	3115	3254	3395
6	3001	3115	3254	3395	3543
7	3254	3400	3547	3724	3900
8	3543	3702	3870	4053	4229
9	3702	3870	4049	4229	4421
10	4475	4704	4939	5181	5430
10A	4822	5067	5316	5574	5848
11	5172	5427	5694	5969	6265
12	5524	5796	6064	6400	6742
13	5901	6196	6506	6830	7172
14	6374	6692	7027	7377	7746

2014 PAY RANGE SCHEDULE

No.	Step A	Step B	Step C	Step D	Step E
1	2193	2287	2372	2469	2576
2	2372	2469	2578	2683	2797
3	2469	2578	2683	2793	2928
4	2683	2797	2923	3061	3176
5	2924	3061	3178	3319	3462
6	3061	3178	3319	3462	3614
7	3319	3468	3618	3799	3978
8	3614	3776	3948	4134	4314
9	3776	3948	4130	4314	4509
10	4565	4798	5038	5284	5539
10A	4919	5168	5422	5686	5965
11	5275	5536	5808	6088	6390
12	5634	5912	6185	6528	6876
13	6019	6320	6636	6967	7316
14	6501	6826	7168	7525	7901