

FINANCE COMMITTEE

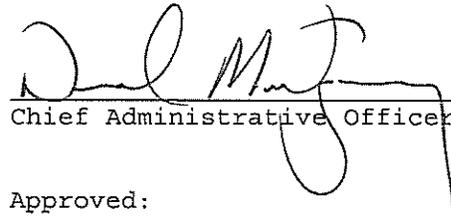
12-0640R

RESOLUTION AUTHORIZING AGREEMENT BETWEEN THE CITY OF
DULUTH AND LOCAL 66 OF AFSCME COUNCIL 5 REGARDING CITY
ASSESSOR OFFICE EMPLOYEES.

CITY PROPOSAL:

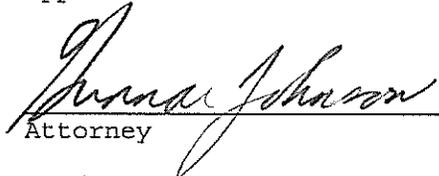
RESOLVED, that the proper city officials are hereby authorized to execute an agreement, substantially the same as that on file in the office of the city clerk as Public Document No. _____, with Local 66 of AFSCME Council 5, addressing the separation of city assessor office employees from city employment and the transition of employment to St. Louis County.

Approved for presentation to council:



Chief Administrative Officer

Approved as to form:



Attorney

Approved:



Auditor

ADM/ATTY SBH:cjk 12/11/2012

STATEMENT OF PURPOSE: Pursuant to agreement between the city of Duluth and St. Louis County, the St. Louis County Assessor's office will take on substantially all city of Duluth assessment duties effective January 1, 2013. This agreement addresses current city assessor office employees who will be involuntarily separated from employment with the city at the end of the day on December 31, 2012. The city and AFSCME began effects bargaining in early November, 2012 and reached a Tentative Agreement on December 6, 2012 regarding the transition. Affected employees have been provided full-time, permanent positions with the St. Louis County Assessor's office. This resolution approves the separation and transition agreement between the City and AFSCME based on the Tentative Agreement and provides for full-time positions with the county and additional monetary separation benefits.

EFFECTS BARGAINING SEPARATION AND GRIEVANCE WAIVER AGREEMENT

CITY OF DULUTH AND AFSCME COUNCIL 5

THIS AGREEMENT is by and between the **CITY OF DULUTH**, a municipal corporation, hereinafter referred to as “City”, **LOCAL 66 OF AFSCME MINNESOTA COUNCIL 5**, hereinafter referred to as “Union”, and current City of Duluth Assessor’s Office Basic Unit Employees, hereinafter referred to collectively as “Employees”.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the City, Union, and Employees agree as follows:

1. Union and Employees waive all grievance rights pursuant to the 2011 collective bargaining agreement (“CBA”) between City and Union;
2. An Employee who was hired on or before December 31, 2006, and who retires from employment with the City between the date of this effects agreement and the date of transition of the affected employees to St. Louis County employment, after having been employed by the City for such total time so as to be qualified by such employment to receive retirement pension benefits from the Public Employees Retirement Association (PERA) and who is receiving retirement pension payments from PERA shall receive Hospital-Medical Plan Coverage in accordance with Article 23 of the CBA; the City shall contribute 100% of the premium cost for this Retiree Hospital-Medical Plan coverage.

The parties recognize and agree that there is only one Employee eligible for the benefit set forth above (said Employee currently has 16 years of service and is eligible for an 80% employer premium contribution). Should the Employee eligible for this Section 2 elect the benefit set forth above they shall not be eligible for any other transition provision set forth in this proposal and shall be eligible to retire immediately.

3. For Employees with less than two (2) years of continuous employment with the City:
 - a. The City has negotiated, with St. Louis County, full-time positions for the Employees.
 - b. Employees shall each receive a one-time lump sum transition payment equaling four (4) weeks of base pay (Basic Monthly Pay) including any earned longevity award during those weeks. Transition payments shall be paid by the City as cash (taxable income) upon separation, and employees may individually elect to deposit some of all of such payments into his deferred compensation account, subject to any IRS limits.
 - c. Employees shall each receive a one-time lump sum deposit into their post-employment HSCP account of \$2,000.

4. For Employees with more than two (2) years and less than ten (10) years of continuous employment with the City:
 - a. The City has negotiated, with St. Louis County, full-time positions for the Employee.
 - b. Employees shall receive a one-time lump sum transition payment equaling five (5) weeks of base pay (Basic Monthly Pay) including any earned longevity award during those weeks. Transition payments shall be paid by the City as cash (taxable income) upon separation, and employees may individually elect to deposit some of all of such payments into his deferred compensation account, subject to any IRS limits.
 - a.) Employee shall receive a one-time lump sum deposit into his post-employment HSCP account of \$6,000.
5. For Employees with greater than ten (10) years of continuous employment with the City:
 - a.) The City has negotiated, with St. Louis County, full-time positions for the Employees.
 - b.) Employees shall each receive a one-time lump sum transition payment equaling six (6) weeks of base pay (Basic Monthly Pay) including any earned longevity award during those weeks. Transition payments shall be paid by the City as cash (taxable income) upon separation, and employees may individually elect to deposit some of all of such payments into his deferred compensation account, subject to any IRS limits.
 - c.) Employees shall each receive a one-time lump sum deposit into their post-employment HSCP account of \$6,000.
6. The City will separate and lay off Employees at the end of the day on December 31, 2012. Employees shall cease to be City Employees as of the end of the day on December 31, 2012.
7. Upon separation from employment with the City, any unused accrued vacation, compensatory time off, and personal leave hours shall be paid out to each Employee in the following manner: 50% deposited into the respective Employee's HCSP account and 50% cash compensation. Cash compensation may be deposited into a deferred compensation account upon election by the individual employee subject to any IRS limits.
8. Employees will be issued lay-off notices in accordance with Article 39.5 of the CBA and subject to City re-employment in the Finance Department only of Article 40 of the CBA only.

9. This Agreement shall not be construed as precedent for any subsequent agreement between the City and AFSCME Council 5 nor to have established past practice.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed intending to be bound thereby.

CITY OF DULUTH, a Minnesota municipal corporation

AFSCME MINNESOTA COUNCIL 5

By _____
Don Ness
Mayor

By _____
Diane Firkus
Business Representative
AFSCME Council 5

Dated _____

By _____
Deb Strohm
Authorized Representative
AFSCME Council 5

By _____
David Montgomery
Chief Administrative Officer

Dated _____

EMPLOYEES

Countersigned:

By _____
Jolene Elm

By _____
City Auditor
Dated _____

By _____
Bemen Carlson

Approved as to form:

By _____
Bruce Eichorn

By _____
City Attorney
Dated _____

By _____
Michael Busick

By _____
Terry Johnson

By _____
Scott Sutherland