

2007 - 2008 - 2009

AGREEMENT

BETWEEN THE

CITY OF DULUTH

AND

LOCAL 66 OF A.F.S.C.M.E., COUNCIL 5

FOR

BASIC UNIT EMPLOYEES

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THIS AGREEMENT dated the ____ day of _____, 2007, is entered into by and between the City of Duluth, hereinafter called the "Employer," and LOCAL 66 of A.F.S.C.M.E., represented by A.F.S.C.M.E. Minnesota Council 5, 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 Statute.

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 Chief Administrative Officer, department head or acting department head.

2.3. Assignment - an order 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 2, 3, and 4 of this Agreement added to the employee's longevity award as provided for in Article 9 of this Agreement multiplied by twelve (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, military leave, layoffs, or absence due to injury or illness 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 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. Involuntary Transfer. A transfer of an employee which is ordered even though the employee is opposed to the transfer.

2.13. Non-duty disability. A physical condition which renders an employee incapable of performing the work within his or her classification assigned to him or her by the employer, 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. Shift means a stipulated eight (8) hour work period for personnel whose normal workweek is forty (40) hours and a seven and one-half (7 ½) hour period for personnel whose normal workweek is thirty-seven and one-half (37 ½) hours.

2.17. Supervisor means an employee of the City who has been determined by the Director of Mediation to be a supervisor.

2.18. Transfer. Directing 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.

2.19. Voluntary Transfer. A transfer requested and agreed to by the employee transferred.

ARTICLE 3 - RECOGNITION

3.1. The Employer recognizes the Union as the exclusive bargaining representative of all employees working in the classified service excluding police, fire, confidential and supervisory employees 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 person 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 person.

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, Subd . 1; the right to direct the working forces; to plan, direct and control all the operations of the Employer; to determine 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 to be contrary to such laws by a court of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided, such provision 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

7.1. For employees in pay ranges 14 through 39 the normal work week shall be forty (40) hours and the normal workday shall be eight (8) hours.

7.2. For employees in pay ranges 116 through 142 the normal workweek shall be thirty-seven and one-half (37 ½) hours and the normal workday shall be seven and one-half (7 ½) hours.

7.3. For computation of overtime, the workweek will end at 12:00 AM Saturday (midnight).

7.4. Notwithstanding any provision in this Agreement to the contrary, employees working the Police Record Bureau may be scheduled to work shifts consisting of seven and one-half (7 ½) consecutive hours of work with no lunch periods. For the purposes of this paragraph, the workweek may commence at midnight Friday.

7.5. The Employer and the Union agree that overtime pay and other benefits shall be negotiated for employees who may work schedules that provide for other than thirty-seven and one-half (37 ½) hours per week with seven and one-half (7 ½) hour days and forty (40) hours per week with eight (8) hour days.

7.6. An employee's work schedule shall not be changed without seven (7) working days' notice.

7.7. Flexible Scheduling

A. This Part 7.7 applies to any employee of work teams covered by the collective bargaining agreement who choose to work assigned schedules as provided for in this Part 7.7.

B. The assignment of work, and of work schedules, shall continue to be a right of management, except as modified by this collective bargaining agreement. This Part 7.7 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 this Article of the collective bargaining agreement. Participation in the new assigned work schedule under this Part 7.7 must be voluntary on the part of the employee. The implementation of this Part 7.7 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 worked the hours in a day which are regularly and previously scheduled for that day, by the process set out in this Part 7.7, or after he or she has worked the hours in a work week which were regularly and previously scheduled for that week, by the process set out in this Part 7.7, or total at least 40 hours.

E. If the employee 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 implemented under this Part 7.7. 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 Part 7.7. vacation accumulation will be calculated using hours worked not days; for purposes of calculation 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 "day" shall mean the period of time worked in one day.

ARTICLE 8 - SALARY PROGRESSION - DEFERRED COMPENSATION

8.1. Effective January 1, 2007, the monthly salaries shall be increased by 1% per year as indicated in Appendix 2. Effective January 1, 2008, the monthly salaries shall be increased by 3% per year as indicated in Appendix 3. Effective January 1, 2009, the monthly salaries shall be increased by 70 cents per hour as indicated in Appendix 4.

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 shown in Appendixes 1, 2, 3, and 4, or except when otherwise recommended and justified by the appointing authority 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 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 the applicable Appendix and the employee shall thereafter advance one (1) step in the pay range for each additional twelve (12) months of service; however, salary progression for an employee in a non JATC apprenticeship program shall be governed as specified in Appendix 5. If the employer does not offer course(s) as required in Appendix 5, the employee shall advance to the next pay step when otherwise eligible. When the employer offers such course (s), the employee shall be required to take such course(s)

or the employee will have their salary reduced to the next lower step and the employee shall remain at such step until they complete the course(s).

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.

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, provided said employee possesses any license required by job specifications.

No out-of-class pay shall be paid where such assignment is for a period of less than one-half (1/2) day.

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

No such assignment shall exceed ninety (90) working days, at which time a determination shall be made to permanently fill or vacate the position.

The Chief Administrative Officer, or his or her designee and the Union shall receive a copy of all written assignments for review for appropriateness of assignment.

8.6 The Employer and the Union agree there shall be Apprenticeship Programs as established in Appendix 5.

8.7. Notwithstanding any other provision of this article to the contrary, any employee who subsequent to August 1, 1980 commences employment in a position as a participant in an apprenticeship or training program which is approved by the Joint Apprenticeship Training Committee (J.A.T.C.) shall be compensated in accordance with the following formula:

TRAINING WAGE FORMULA						
Program Years	5 years	4½ years	4 years	3 years	2 years	1 year
O - 6	Entrance	Entrance	Entrance	Entrance	Entrance	Entrance
6 - 12	79%	84%	86%	78%	80%	88%
12 months	80%	86%	88%	81%	88%	100%
18 months	82%	88%	90%	84%	94%	
24 months	84%	90%	92%	92%	100%	
30 months	86%	92%	94%	96%		
36 months	88%	94%	96%	100%		

42 months	92%	96%	98%
48 months	94%	98%	100%
54 months	97%	100%	
60 months	100%		

When a Utility Service Person promotes to an Appliance Mechanic Apprentice, that employee shall be placed at the 92% level. The employee will move to the 94% level after six months.

When a Meter Reader promotes to a Utility Service Person, that employee shall be placed at the 92% level. The employee shall move to the next step after such employee completes the necessary requirements, in accordance with the J.A.T.C. rule, for advancement to that step.

However, any employee who commences employment in a position contained in the J.A.T.C. Information/Finance Program, shall be compensated in accordance with the following formula:

Level 1 - Clerical Support Technician

0-6 months	79% of Range 121-Step E
6-12 months	82%
12 months	85%
18 months	88%
24 months	91%
30 months	94%
36 months	97%
42 months	100% of Range 121-Step E

Level 2 - Information or Finance Technician

0-6 months	82% of Range 126-Step E
6-12 months	85%
12 months	87%
18 months	90%
24 months	92%
30 months	95%
36 months	97%
42 months	100% of Range 126-Step E

Level 3 - Administrative Information or Finance Specialist

0-6 months	90% of Range 129-Step E
6-12 months	92%
12 months	95%

18 months	97%
24 months	100% of Range 129-Step E

Further, promotions of employees from one level to the next level within the J.A.T.C. Information/Finance Program shall be according to the following procedure:

- A. When an employee reaches the 100% level in his/her current program level, his/her name will be placed on an eligible list for the next higher level;
- B. When an opening occurs at the appropriate higher level, all eligibles will be notified of that opening;
- C. If an eligible employee wishes to be considered for that opening, his/her name will be placed on an interview list; and
- D. If there are more than 10 eligible names on the interview list 10 names will be randomly drawn from the list. Those 10 people would be interviewed for the vacancy. If the interview list contains fewer than 10 eligibles, all such eligibles would be interviewed.

Employees interested in considering a lateral transfer within a program level, also may have their name added to the interview list.

Notwithstanding any other provisions of this article to the contrary, any employee who commences employment in a position contained in the J.A.T.C. Financial Analyst Program, shall be compensated in accordance with the percentage pay plan that is listed below. Except where otherwise limited to the J.A.T.C. Approved program description, a participant's advancement through this plan shall be as follows:

- a. One step shall be earned for completion of each 16.67 hours of J.A.T.C. approved training; and
- b. Two steps shall be earned for completion of each 600 hour unit of O.J.T. hours (the approximate amount of O.J.T. accumulated in 6 months of employment).

1 (entrance)	70.00%	21	85.75%
2	70.75%	22	86.50%
3	71.50%	23	87.25%
4	72.25%	24	88.00%
5	73.75%	25	88.75%
6	74.50%	26	89.50%
7	75.25%	27	90.25%
8	76.00%	28	91.00%
9	76.75%	29	91.75%
10	77.50%	30	92.50%
11	78.25%	31	93.25%

12	79.00%	32	94.00%
13	79.75%	33	94.75%
14	80.50%	34	95.50%
15	81.25%	35	96.25%
16	82.00%	36	97.00%
17	82.75%	37	97.75%
18	83.50%	38	98.50%
19	84.25%	39	99.25%
20	85.00%	40 (completion)	100.00%

Administration of the J.A.T.C. Financial Analyst Program pay provisions shall be as follows:

1. Upon entry into this program, an employee's compensation shall be established at the higher of the following amounts:

a. the percentage rate in the pay plan which corresponds to the amount of advanced standing approved for that employee by the J.A.T.C.;

or, for current employees only,

b. the percentage rate in the pay plan which is next over the employee's current rate of pay.

2. An employee's participation in and progress through this program shall be in accordance with the procedures of the J.A.T.C.

8.8 For each active employee beginning the first day of the month following the date of hire, the Employer shall contribute two hundred twenty-nine dollars (\$229.00) per month effective upon City Council approval of this contract, by resolution duly passed, for either contribution to a qualifying and approved deferred compensation plan, or for contribution to a city-sponsored family dependant hospital-medical plan premium, whichever is designated by the employee during the open window for insurance selection or at the time of a life event.

8.9 The entrance and completion rates of pay for each such program shall be determined by the Labor-Management Committee, but shall be within the minimum and maximum monthly rates of pay specified for the position by Appendixes 1, 2, 3 and 4. The percentages indicated in the above formula shall mean percentages of the completion rate of pay so determined. The J.A.T.C. shall monitor changes to Appendixes 1, 2, 3 and 4 so as to insure that appropriate entrance and completion rate adjustments are made in connection with related changes made to Appendixes 1, 2, 3 and 4. When an employee enters a J.A.T.C. program, the employee shall not receive pay less than what the employee was being paid in the employee's previous classification. An employee who voluntarily demotes or is demoted to a J.A.T.C. Program shall receive not less than two steps below 100% of the top rate of the apprentice classification. The J.A.T.C. Committee shall have the authority to determine which step the demoted employee will receive.

8.10. Compensation increases authorized by the above formula shall be implemented only if the employee has served the time indicated and has satisfactorily completed the appropriate program training, which shall be verified by the J.A.T.C.

ARTICLE 9 - LONGEVITY AWARD

9.1. In addition to the monthly pay prescribed herein, any employee who has been continuously employed by the City 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 by the City 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.

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 - SHIFT DIFFERENTIAL

10.1. Employees working a regular shift commencing between the hours of 12:00 p.m. and 10:00 p.m., shall, in addition to their monthly pay, receive a shift differential equal to \$.75 per hour for each hour worked during such a shift. Employees working a regular shift commencing between the hours of 10:00 p.m. and 4:00 a.m., including Library employees, shall, in addition to their monthly pay, receive a shift differential equal to \$1.00 per hour for each hour worked during such a shift. No employee shall receive such shift differential for any time for which he or she will receive overtime compensation provided for in Article 17 of this Agreement.

ARTICLE 11 - UNIFORMS

Uniforms shall be provided by the appropriate departments as follows:

11.1. Public Works and Utilities

(a) In the Customer service (Comfort Systems), Utility Operations, Street Maintenance, Sign Maintenance, Water Treatment, and Gas Supply Divisions, all employees, excluding clerical and those employees covered under 11.5 of this article, shall receive an initial uniform issue of: five (5) pants, five (5) shirts, one (1) lined denim jacket, and one(1) winter jacket/coat with hood.

(b) All employees covered under this article shall receive a clothing allotment per year equal to one half (1/2) the cost of that year's initial uniform cost.

(c) In addition to those uniforms furnished in this article, coveralls shall be furnished to eligible employees when requested.

(d) All jackets, shirts and coveralls shall have identification patches furnished by the department sewn on them.

It shall be the responsibility of the employee to maintain such uniforms in a neat and presentable manner. Upon approval of employee's supervisor, up to two (2) replacement uniforms or other articles of clothing may be furnished by the Department each year. All employees who are issued uniforms shall be required to wear them while on duty.

11.2. Public Works and Utilities Department:

(a) Employees assigned permanently to do Sewer Maintenance and Operation work shall be furnished one set of coveralls per week. In addition, they will be supplied:

1. At least one change per day of pants and shirt (minimum).
2. At least one extra change per week (a total of six (6) per week).
3. One summer jacket in a safety color (orange or yellow) per year.
4. One winter jacket of same color as summer jacket per year.

(b) Three (3) sets of coveralls shall be furnished and maintained by the Department at the Aerial Bridge for use by the Bridge Operators while engaged in bridge maintenance.

(c) Painters shall be furnished three (3) painter pants and shirts per year.

(d) Coveralls shall be provided and maintained for all employees requiring their use while performing their duties.

11.3. Parks and Recreation Department:

(a) Zoo Keepers shall be furnished:

6 shirts	2 jackets
6 pants	1 parka

(b) Recreation Specialists shall be furnished:

1 winter jacket or approved winter outer ware

- 1 pair of cold weather foot ware
- 1 light jacket

It shall be the responsibility of the employee to maintain such uniform in a neat and presentable manner. Upon approval of the employee's supervisor, replacement uniforms shall be furnished by the Department. Employees who are issued uniforms shall be required to wear them while on duty.

11.4. Police Department:

(a) Traffic Division: Parking Meter Monitors shall be furnished the following items upon initial employment and replacement items as needed:

- | | |
|--------------------------|-----------------------|
| 1 jacket | 1 jacket liner |
| 2 pair culottes or pants | 2 slacks |
| 1 winter coat | 1 rain/shine coat |
| 2 pair shoes | 1 pair snow boots |
| 4 long sleeve shirts | 4 short sleeve shirts |
| Headgear | |

(b) Radio Technician Operators shall be furnished shop coats as needed.

11.5. Miscellaneous:

Employees filling the positions of Equipment Maintenance Specialist, Heavy Equipment Mechanic, and Industrial Equipment Technician shall be furnished one (1) set of coveralls per week by the employee's department.

11.6. Effective April 1, 1981, all employees or groups of employees who have been receiving uniforms or coveralls as provided for under this article, shall continue to receive said coveralls and uniforms as previously provided, however, any change or addition to this article shall only be done with the agreement of the Department Head or his or her designee and with all the affected employees. All employees so affected shall be treated the same as to the distribution or wearing of uniforms.

11.7. An employee entitled to receive uniform items under this article may substitute suitable workplace footwear for the items, or part of them, so long as the total uniform cost to the Employer is not increased by the substitution.

ARTICLE 12 - MEAL ALLOWANCE

12.1. Any employee required to work twelve (12) or more consecutive hours shall be provided a meal allowance of ten dollars (\$10.00), which shall be added to the employee's pay.

12.2. Employees working in the Public Works and Utilities Department of the City who are ordered to report for emergency duty of three and one-half (3 ½) hours or more and are required

to continue working into the next day shift shall be provided the opportunity to eat breakfast on duty time, which time shall not exceed one-half (½) hour. This paragraph shall not apply to employees reporting for patching or snow removal duties.

ARTICLE 13 - INCENTIVE AWARDS

13.1. In addition to all other compensation paid to an employee pursuant to this Agreement, any employee may be paid additional compensation 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.

13.2. Any employee who is recognized as Employee of the Month or Employee of the Year may receive up to fifteen hundred dollars (\$1,500) in additional pay or benefits per year.

ARTICLE 14 - LIFE INSURANCE

14.1. The Employer shall purchase group term life insurance for each eligible employee in the amount of Fifty Thousand Dollars (\$50,000). All employees shall receive such life insurance coverage on the first day of the month following the date of hire.

14.2. Such insurance terminates on the last day of the month in which an employee terminates his or her 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.

14.3. While an employee is entitled to receive long-term income protection pursuant to Article 30 of this Agreement, the Employer shall maintain such life insurance coverage for such employee as it does for active employees.

ARTICLE 15 - LIFE INSURANCE - RETIREES

15.1. The Employer shall pay the full cost for the purchase of term life insurance for any employee who retires from employment with the City; 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 amount of such insurance coverage shall be \$25,000.

ARTICLE 16 - TOOL REPLACEMENT

16.1. Those employees required to furnish their own tools shall be reimbursed by the Employer for the cost of replacing any personal tools which are damaged or worn to the extent they are no longer usable. The tools for which replacement is being requested shall be turned over to the employee's supervisor, who shall have the authority to authorize the purchase of a new tool.

16.2. Department of Administrative Services - Fleet Service Division.

(a) During the period of this Agreement, the Employer will insure replacement of tools lost due to fire or theft, for those employees required to provide their own tools.

(b) Effective upon the approval of this Agreement, those employees required to provide their own tools shall be compensated, at the rate of \$.50 per hour (50 cents) for each hour worked, a tool allowance.

(c) In order to receive the benefits of this article, an employee must purchase and use tools that have a lifetime free replacement warranty and use the warranty to replace tools.

ARTICLE 17 - OVERTIME

17.1. Rates of Compensation:

(a) Except as provided in this article, employees who are required by their employer and according to Section 4 of this article, to work in excess of eight (8) hours in any day or forty (40) regular hours in any week shall be compensated for such excess hours either with pay at the rate of one and one-half (1 ½) times their current basic hourly rate or with compensatory time off at the rate of one and one-half (1 ½) hours for each excess hour worked as provided in Section 2 of this article.

(b) Employees whose normal work week is thirty-seven and one-half (37 ½) hours, when required by their employer and according to Section 5 of this article, to work in excess of their normal work week or work day, but not in excess of forty (40) regular hours in any week or eight (8) hours in any day, shall, for such excess hours either receive pay at their current basic hourly rate or be granted compensatory time off at the rate of one (1) hour for each hour worked according to Section 2 of this article.

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

17.2. Compensatory Time Off:

(a) All employees may bank up to a minimum of forty (40) hours per year; such time shall be recorded by the employer.

(b) The distribution of time off shall be at the discretion of the employer and upon request of the employee. In considering requests by employees for compensatory time off, the employer shall not grant such requests automatically, but shall consider whether or not the interests of the employer would be served by permitting employees to take time off at some time during the year when such time off may be taken without interference with the employer's policy of providing the best possible services to the community.

(c) Any compensatory time off due an employee at the end of any calendar year shall be paid to such employee in the paycheck covering the last pay period in that year, based on employee's basic hourly rate as of the last day of that year.

17.3. The working of overtime by an employee shall be voluntary except in cases where the supervisor determines that work is necessary to protect property or human life. For purposes of distribution of overtime, overtime refused is to be considered overtime worked.

17.4. Except for employees assigned to standby duty under Article 18 of this Agreement, employees shall not be required to work more than sixteen (16) consecutive hours, to be followed by a minimum of eight (8) hours off before being required to return to work.

17.5. Heavy Equipment Mechanic, Supervisor of Equipment, and Equipment Maintenance Specialists working in Fleet Services shall have their names placed on an overtime rotation list. Each week one name on the list, in the order of rotation, will be designated as the mechanic on call. Available overtime shall first be offered to the mechanic on call. If the overtime offer is refused, the overtime shall be offered in order of rotation to each person whose name appears on the list.

ARTICLE 18 - STANDBY SCHEDULING AND PAY

Employees shall be scheduled for standby duty and receive standby pay as follows, unless qualified personnel are scheduled to work, then standby is not required:

18.1. Public Works and Utilities- Service Division:

(a) For the cold weather period (generally fall, winter, and spring), to be determined annually by the Department Director or his/her designee, all employees who have completed all of the required training will be scheduled to work as follows: two (2) employees shall be assigned to work from 8:00 AM to 4:00 PM on Saturday and Sunday, and these two employees shall also be on standby call from midnight Saturday to 8:00 AM Saturday. Two (2) other employees shall be assigned to work from 4:00 PM to midnight Saturday and Sunday and shall be on standby call from midnight to 8:00 AM Sunday .

(b) For the warm weather period (generally summer), to be determined annually by the Department Director or his/her designee, all employees who have completed all of the required training will be scheduled to work as follows: two (2) employees shall be assigned standby call from midnight Saturday to midnight Monday. Two (2) other employees shall be assigned to standby call from midnight to 8:00 AM Monday through Friday.

Employees who are on standby duty under either paragraph a. or b., above, shall receive two (2) hours pay at the rate of time and one-half their current basic hourly rate for each shift they perform this duty, and in addition shall receive pay for any time actually worked while on standby duty at the rate of time and one-half their current basic hourly rate, provided that the total hours of pay received by any such employee shall not exceed eight (8) hours for any one shift.

(c) Afternoon Weekday Shift - Monday through Friday, two employees shall be assigned to work from 4:00 PM. to midnight. Only Appliance Mechanic Journeypersons and Utility Service Journeypersons shall be assigned this shift.

(d) Assignment of job titles to the cold weather weekend shifts and afternoon weekday shift will be at the sole discretion of management.

18.2. Public Works and Utilities - Utility Operations Division:

(a) A crew shall consist of one (1) Utility Operations Leadworker and two (2) Utility Operations employees who have completed the Water & Gas Maintenance Apprenticeship Program or the Utility Operator Apprenticeship Program. This duty will commence at 7:30 AM on Monday of the assigned week and continue until 7:30 AM of the following Monday. During this period, the crew shall work from 7:30 AM to 4:00 PM from Monday through Friday and, in addition, they shall remain on call and be immediately available for any emergency work between the hours of 4:00 PM and 7:30 AM the following day for each of the five (5) work days Monday through Friday. For this duty they shall be compensated at the rate of four (4) hours pay at time and one-half the standby rate for each of the five (5) days for a total of twenty (20) hours at time and one-half the standby rate. In addition, they shall also remain on call from 7:30 AM Saturday until 7:30 AM Monday and for this duty they will be compensated at the rate of six (6) hours pay for each of the two (2) days at time and one-half rate for a total of twelve (12) hours for the weekend duty. They shall also receive pay at the rate of time and one-half the standby rate for any work performed between 4:00 PM and 7:30 AM Monday through Friday in addition to any work performed between 7:30 AM Saturday and 7:30 AM Monday. Any employee called in while on standby shall receive pay for any time actually worked at the rate of time and one-half his/her current basic hourly rate provided that the total hours of pay received by any such employee shall not exceed eight (8) hours for any one shift. When employees are called out on standby, they shall notify the dispatcher to clock them in and out. Standby leadworker shall be the first contact for after hours calls for all four utilities (sewer, stormwater, water, and gas).

(b) Beginning with contract year 2006, Utility Operators who have completed the Utility Operator Apprenticeship Program, and served two additional years as a Utility Operator following successful completion of the Utility Operator Apprenticeship Program, are eligible to be certified to serve standby duty. The City may certify, beginning with the contract year 2008, up to six Utility Operators per contract year from those who are eligible according to seniority based on date of hire. Once certified, Utility Operators are able to be placed on the annual standby duty schedule the first calendar year following certification. Utility Operators certified by the City during contract year 2006 will be allowed to serve standby duty during the 2007 calendar year and so on. If less than 24 employees sign up for standby duty for the coming year's rotation, the city may assign, according to reverse seniority, employees to serve standby in order to assure no less than 24 employees will be on the rotation list.

18.3. A list for standby duty shall be established annually. The eligible employees shall be scheduled from the list by continuous rotation. The employees will be ranked on the list by seniority using original date of hire in the Utility Operations and Customer Service Divisions of the Public Works & Utilities Department.

18.4. The City and Union agree that a change involving standby duty is a matter that is to be discussed by the Employer and the Union prior to a schedule change.

18.5. Public Works & Utilities - Engineering Division:

(a) One qualified employee shall be assigned to standby duty for emergency utility (Gopher State One Call/GSOC) locate requests. This duty will commence at 8:00 AM on Monday of the assigned week and continue until 8:00 AM on Monday of the following week. During this period, the assigned employee shall work the employee's regular scheduled hours from Monday through Friday. In addition, the assigned employee shall remain available on standby call via City provided cell phone for any emergency utility locate requests between the hours of 4:30 PM and 8:00 AM - Monday to Saturday, and respond within an hour of being called. For Saturday and Sunday of the same week, the assigned employee shall remain available on standby call via City provided cell phone, and respond within an hour of being called for any emergency utility locate requests from 8:00 AM Saturday until 8:00 AM Monday. For Gopher State One Call (GSOC) holidays within the same week, the assigned employee shall remain on standby call in the same manner as required on Saturdays, and Sundays. For this duty, the assigned employee shall be compensated at the rate of two (2) hours pay at time and one-half the employee's current basic hourly rate for each of the five (5) nights the employee performs this duty, and shall be compensated at the rate of four (4) hours pay at time and one-half their current basic hourly rate for each Saturday, Sunday and/or GSOC holidays on which the employee performs this duty.

(b) Call backs for employees on standby duty shall be determined in accordance with Article 19 - Callback.

(c) A list of qualified employees for standby duty shall be established annually, and posted no later than first of October of the preceding year to provide ample opportunity for employees to re-qualify if necessary, and qualified employees shall be scheduled on a continuous rotation. Qualified employees will be ranked on a list of seniority in the Public Works & Utilities Department in accordance with Article 20.1 of the Basic Unit contract, and voids in the scheduling, including vacation or sick leave, shall be filled from the same seniority list. In the event an insufficient number of personnel, as judged by management, is achieved through this method, the number required will be gained by the addition of the least senior qualified employees.

(d) Qualified employees shall be those employees of the Public Works & Utilities Department - Engineering Division who meet all of the following criteria:

1. Have completed the requirements for Senior Engineering Technician, Step B.
2. Have been deemed safety-sensitive employees in accordance with Federal and Minnesota Offices of Pipeline Safety regulations and the mandated drug testing regimen associated with such positions.
3. Have completed on-the-job locator training for water, gas, sanitary sewer and storm sewer systems - including types of locators, plats and sectionalizing maps.

4. Have completed Operator Qualification (OQ) training and evaluation for gas system locates.

(e) The Employer and Union agree that any change involving standby duty for Engineering Division employees is a matter that the Employer and the Union should meet and confer about prior to a schedule change.

ARTICLE 19 - CALL BACK

19.1. An employee who is released by his or her supervisor and is called back for emergency work shall receive a minimum of four (4) hours pay at one and one-half (1 ½) times the employee's current basic hourly rate, except that such four (4) hour minimum pay requirement shall not apply in instances where the call back time extends into the employee's regularly scheduled shift. In the event an employee is called back more than once during an eight (8) hour period, such employee shall not receive more than eight (8) hours pay at the overtime rate for such period.

ARTICLE 20 - SENIORITY

20.1. Seniority shall be determined by the employee's continuous length of service within this bargaining unit in his or her present job classification in the department in which he or she is currently working; however, for any employee in a classification to which he or she became entitled by automatic promotion pursuant to an apprenticeship or training program specified in Appendix 5, seniority shall be determined by including the time between the promotion and when the employee became eligible for the promotion.

Employees employed before January 1, 1986, who are currently in the bargaining unit shall retain seniority held and calculated as of December 31, 1985. Time spent in continuous employment as a C.E.T.A. employee, shall apply towards vacation, sick leave, or longevity calculations only. Temporary employment shall not apply towards continuous employment for the purposes of determining the benefits provided by this contract.

20.2. Except as provided in Section 20.3 of this article and subject to the Employer's right to schedule overtime and determine the times at which vacations may be taken, vacation and overtime selection rights shall be determined within each department division by seniority.

20.3. Street Maintenance Division-Maintenance District Seniority:

(a) Maintenance District seniority applies only for the purpose of daily and weekly assignments and vacation and overtime selection. Maintenance District seniority does not apply for layoff purposes. When it becomes necessary to reduce the number of employees within a job classification, Article 38 "Lay Offs of Classified Employees" shall apply.

(b) Daily Equipment Assignment: Day to day equipment assignments shall be those tasks that are anticipated to last less than five (5) continuous working days or to meet unanticipated needs. In making such assignments to employees, the foreman may use discretion, using seniority as a factor.

(c) Weekly Equipment Assignment: Weekly equipment assignments shall be those tasks that are anticipated to exceed five (5) continuous working days. In making such assignments to employees in the classifications, seniority shall be the factor.

(d) Vacation and Overtime Selection: Vacation and overtime selection rights shall be determined within each Maintenance District by seniority.

(e) Voluntary Assignment: When an employee is voluntarily assigned from one Maintenance District to another Maintenance District, the employee's classification seniority within the new Maintenance District shall be for the purposes of vacation and overtime selection, daily assignments, and weekly assignments, the date the employee started working in the new Maintenance District.

(f) Involuntary Assignment: When an employee is involuntarily assigned from one Maintenance District to another Maintenance District, the employee's classification seniority for the purposes of vacation and overtime selection, daily assignments, and weekly assignments shall be carried forward to the new Maintenance District.

20.4. Any employee denied the opportunity to work overtime because of the Employer's failure to comply with requirements of Section 20.2 or 20.3 of this Article shall, after the first such occurrence reported by the aggrieved employee or the Union, be given the opportunity, within thirty (30) working days after such report, to work an amount of overtime equal to that which he or she was denied as a result of the Employer's violation of such provisions, and if the employee chooses to work such overtime, he or she shall be paid for such overtime an amount equal to what he or she would have earned if he or she had actually worked the overtime which he or she had been denied; in the case of any subsequent occurrence affecting the same employee which is within twelve (12) months of the first or any subsequent occurrence affecting such employee, the employee shall be paid an amount equal to what he or she would have earned if he or she had actually worked the overtime that he or she was denied. Makeup overtime allowed under this paragraph may be worked at any time convenient to the employee within the thirty (30) day period; provided, however, that the employee must give at least twenty-four (24) hours notice to his or her immediate supervisor of the time at which he or she plans to work such overtime. Makeup overtime assigned to any employee pursuant to this paragraph shall not be subject to the provisions of Sections 20.2 or 20.3 of this article.

20.5. In the Public Works and Utilities Service and Utility Operations Divisions seniority shall be the determining factor in making assignments to work locations and to work schedules for which the basic hourly rate or the basic hourly rate and shift differential is paid unless one (1) or more of the following factors can be demonstrated to make it desirable from the standpoint of management efficiency to make an assignment on a basis other than seniority:

(a) the implementation of training programs.

(b) the need for a particular task to be carried out by a person who possesses a certain license or who has special training.

(c) the physical or mental ability of employees to perform the specific tasks or operate the particular equipment involved in a particular assignment.

(d) the knowledge employees have of the geographical area involved in a particular assignment.

(e) the need for employees to have a certain amount of experience before being assigned to night or weekend shifts.

(f) When a daily assignment requires an employee to work overtime to complete the assignment, the employee will be given the first opportunity to work the overtime. If an employee refuses the overtime, it will be offered by seniority within the division. For the purposes of this Article, daily assignment means that work, and issues related to it, which is assigned at the beginning of a shift. This paragraph expires and becomes null and void at 11:59 p.m. twelve months after City Council approval of this Agreement. However, the parties agree to meet and negotiate concerning this paragraph within thirty days prior to expiration and reach agreement, if possible.

20.6. The Employer and Union agree with the principle that seniority shall be a factor in making any assignments other than those specified in Sections 20.3 and 20.5 of this article.

20.7. The Employer and Union agree that the Employer will provide data, assistance, and use of data processing system to jointly develop with the Union a seniority list, at least annually.

20.8. 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 two (2) or more persons have equal seniority in a job class as calculated in 20.1, the order of seniority in such tie cases shall be determined first by the total continuous department years of service within the bargaining unit, second by the total continuous years of service within the bargaining unit, and if a tie still exists, from the highest score on the last examination for the job title that the employee currently holds.

20.9. This article shall not be construed to affect in any way the provisions contained in Article 38 regarding the layoff of employees.

20.10. For the purposes of this article, the Civil Service job classifications of Collection System Maintenance Worker, Utility Operator and Water and Gas Maintenance Journeyman shall be treated as one job title.

20.11. (a) No City of Duluth employee will be forced to transfer or reclassify into the Utility Operator classification. Employees holding the classification of Collection System

Maintenance Worker, Water and Gas Maintenance Journeyperson, Regulator Mechanic, W & G Equipment Operator, Lift Station Operator, W & G Pipeline Welder, Water Quality Specialist, or Warehouse Assistant will be allowed to hold such classification for the remainder of their employment with the City; all the way to and including their retirement if the employee so chooses. The City will maintain these classifications and agrees not to eliminate them so long as there are employees who wish to remain in these classifications.

(b) The Layoff Series Agreement between the City of Duluth and AFSCME Local 66 will be revised to allow Collection System Maintenance Workers and W & G Maintenance Journeypersons to bump into the Utility Operator position, according to date of hire, in the event of a layoff.

(c) Seniority for those employees holding the title of Utility Operator will be determined based upon each employee's date of hire with the City, with the exception of employees who promote, demote, or are reclassified to Utility Operator. Seniority for employees who promote, demote, or are reclassified to Utility Operator will be based on the date of their classification to Utility Operator. Employees will maintain this seniority as long as they hold such classification.

ARTICLE 21 - HOSPITAL-MEDICAL INSURANCE

21.1. Effective the first of the month following the special two week open enrollment period in Article 21.1(b), the Employer will make available to eligible employees comprehensive hospital-medical benefit Plan 3A only.

(a) The Employer agrees to pay for the employees without claimed dependents the entire cost of the monthly premium for single employee hospital-medical benefit plan 3A.

(b) The employer agrees to hold a special two week open enrollment period for insurance selection within 15 days following City Council approval, by resolution duly passed, of this agreement. Effective the first of the month following the end of the special open enrollment period, the Employer will deposit seventy-five dollars (\$75) per month into a flexible benefits spending account and/or a qualified and approved deferred compensation plan as designated by the employee for each employee without claimed dependents. The employee may change this designation during the annual open enrollment period for insurance selection, or at the time of a qualifying life event.

(c) The employer agrees to deposit into the Group Health Fund at the end of each fiscal year, any unused balance in each employees flexible benefits spending account.

(d) Effective the first of the month following the special two week open enrollment period in Article 21.1(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.

(e) Premiums shall be established by November 1 of the prior year, to be in effect January 1 of each year for twelve (12) consecutive calendar months.

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

21.3. While an employee is entitled to receive long-term disability income protection pursuant to Article 30 of this Agreement, the Employer shall maintain such hospital-medical benefit plan coverage and premiums for such employee as it does for active employees.

21.4. 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.

21.5. The dependents of a deceased-active employee 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 62, as amended.

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

(a) Lifetime benefit is \$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.

21.7. The insured shall be responsible for the following prescription drug co-pays: 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 of thirty dollars (\$30)/maximum one hundred dollars (\$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.

21.8. Group Health Fund.

The City shall establish and maintain a Group Health Fund for the purpose of funding health care costs. All monies appropriated by the City or contributed by plan participants and by other agencies to finance health care or dental care costs under the City's plans shall be paid into such Fund monthly. Monies in the Group Health Fund shall only be expended for payment of health care expenses, purchase of health and dental insurance (including stop loss insurance), payment of

expenses incurred in the administration of the City's health care and dental care programs, and other health-related expenses incurred as determined by the Health Insurance Labor-Management Committee. The following expenses are examples of, but not necessarily all of the expenses that shall not be paid from the Group Health Fund: Payments made pursuant to the Worker's Compensation laws and the cost of physical exams of, or medical services for, employees which exams or services are required by the City or another governmental agency. Any funds expended from the Group Health Fund 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 Group Health Fund. Reimbursements from stop loss insurance shall be promptly deposited in the Group Health Fund.

The City acknowledges its responsibility to cover the full cost of retiree insurance as established by the actuarial rates developed by the health plan claims administrator on an ongoing basis.

The City shall invest reserves in the Group Health Fund to the same extent and in the same manner as it invests reserves in its other funds. Any interest or other return earned through investment of monies in the Group Health Fund shall be credited to such Fund.

If monies in the Group Health Fund are at any time insufficient to pay the expenses described in this Article, the City shall provide sufficient monies to such Fund to cover the deficit. At least one-third of the balance of any such monies which have not been returned by the Fund to the City at the end of any calendar year shall be returned to the City from the Fund as soon as possible and in any event no later than the subsequent calendar year.

The City shall deliver to the members of the Committee each month a summary report of expenditures from the Group Health Fund for the prior month, and a detailed report each quarter.

21.9. Health Insurance Labor-Management Committee.

It is jointly agreed between the Union and the City that the goal of the two parties is to establish a joint labor-management committee that will administer the health insurance plan of the City, all collective bargaining units, and eligible sub-groups.

The Health Insurance Labor-Management Committee shall be comprised of the following even number of voting members, equally divided between union and management representatives:

- 1.) One member selected by each of the City bargaining units adopting this agreement, and one additional member selected by the Basic Unit;
- 2.) The Chief Administrative Officer of the City or his/her designee; and
- 3.) The Director of Finance, the Director of Administrative Services, and as many other department heads, 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;

4.) There shall be one non-voting member selected by the City's retiree's organization.

5.) Because of the complex nature of the subject matter covered, alternate members as well as regular members are encouraged to attend all meetings.

The Health Insurance Labor-Management Committee shall have the following powers and duties:

1.) To establish by-laws for its organization and operation. The Committee shall attempt consensus in all actions, but failing that, the concurrence of two-thirds of the members present and voting at any meeting shall be required.

2.) To determine 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. The Committee cannot delete or change health plans or health benefit levels set out in the labor contracts in 1994 without the agreement of the specific union(s) concerned, and the necessary approvals or ratifications.

3.) To determine a projection of expected claims for the next year for all of the health insurance plans that are offered to City employees and others. Expected claims shall be shown as a rate per member per month. In making this determination, the Committee shall rely on the projection of expected claims provided by the City's health plan administrator. Such projection shall be based on two full years of previous claims experience and a partial year of experience for the current plan year.

4.) To annually determine the appropriate level of reserves to be maintained in the City's Group Health Fund.

5.) To annually determine the need for and/or level of stop-loss coverage.

6.) To recommend the selection of the third-party administrator for the City's health and dental plans.

7.) To review and approve the cost of administrative services provided by the health plan claims administrator.

8.) To recommend the selection of insurance consultants or actuaries hired by the City to assist the Health Insurance Labor-Management Committee.

9.) To review and approve the cost of administrative services provided by City as furnished by the City's Finance Director, including wellness and health promotion programs recommended by the Wellness Committee, and the cost of an insurance consultant.

10.) To establish premium rates for the group health insurance plan offered to City employees and others. The Committee shall use the following formula to determine such rates:

a. The health plan claims administrator will calculate a percentage of change in expected claims by comparing the expected claims for the current year to the expected claims for the next year.

b. Multiply the portion of rates directly attributable to expected claims for the plan by the percentage of change calculated in subparagraph a. above to calculate the amount of increase/decrease for the next year.

c. Multiply the product generated in subparagraph b. above for the plan by the percentage necessary to develop the level of reserves the Committee has determined to be appropriate in paragraph 4. above.

d. Add to the product generated by subparagraph c. above for the plan:

- (1) The cost per contract of administrative services provided by the health plan claims administrator;
- (2) The cost per contract of stop-loss coverage;
- (3) The cost per contract of administrative services provided by the City.

11.) The plan will be actuarially reviewed and revalued every four (4) years. The first review and revaluation will take place in 2003 for plan year 2004.

The City and Union acknowledge the need for the Health Insurance Labor-Management Committee to provide premium rates for the following calendar year by November 1st of the current year. If the Committee fails to perform this duty by the date required, the parties agree that the City may make the necessary determinations based upon the formula contained in paragraph 10. above.

ARTICLE 22 - DENTAL INSURANCE

22.1. The Employer agrees to make the same dental care coverage available to all eligible employees and their families as it presently makes available, but the Employer agrees to pay only the entire cost for single coverage for each employee. Dental coverage shall become effective the first day of the month following date of hire. The Employer and the Union agree that any change in such coverage shall only be done through negotiations. The maximum annual coverage for the low option shall be \$1,000.

22.2. 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.

22.3. 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 22.1 and 22.2.

ARTICLE 23 - HOSPITAL MEDICAL INSURANCE - RETIRED EMPLOYEES

23.1. Any employee who was hired on or before December 31, 2006, and who retires from employment with the City, 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, and who is currently receiving a retirement or disability pension from any such fund, shall receive hospital-medical benefit plan coverage to the same extent as active employees under plan 3A, subject to the following conditions and exceptions:

(a) 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 dependent of such surviving spouse.

(b) Any retiree or qualified dependent seeking benefits pursuant to this Article who has attained the age of 65 years 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."

(c) The hospital medical benefit plan coverage for any such eligible retired employee, with or without claimed dependents, shall be paid by the City and the eligible retired employee, with or without claimed dependents, in accordance with the following schedule:

YEARS OF SERVICE COMPLETED (Whether continuous or not)	PERCENT SHARE OF PREMIUM CONTRIBUTIONS	
	RETIRED 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) The entire premium cost of the hospital medical benefit plan coverage for any such eligible retired employee, with or without claimed dependents, shall be paid by the City for the eligible retiree who has been employed by the City for a period of at least fifteen (15) years but less than twenty (20) years. This paragraph will expire and become null and void on December 15, 2009.

23.2. 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.

23.3. For those employees hired on or before December 31, 2006, who retire from City employment and who meet the length of service and qualification requirements stated under Article 23.1., the City may provide a 65 or older health insurance program in accordance with Article 23.1(b) 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 23.1(c) or 23.1(d). For those employees hired on or after January 1, 2007, who retire from City employment and who otherwise meet the length of service and qualification requirements stated under Article 23.1, participation in the post 65 or older health insurance program will be in accordance with Article 23.1(b) and entirely at the expense of the employee, with or without dependents with absolutely no contribution from the City.

23.4. Any employee hired on or after January 1, 2007, who retires from City employment and who otherwise meets the length of service and qualification requirements stated under Article 23.1 may elect to enroll in the City's hospital medical plan in accordance with this Article except that the cost of the premium will be entirely paid for by the employee, with or without dependents, with absolutely no contribution from the City.

23.5. In addition to the monthly pay prescribed elsewhere in the contract, and effective January 1, 2008, any full-time, permanent, and active 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 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 deposits shall be computed to the nearest dollar per month.

23.6. After sixty (60) months of continuous employment - defined as earning service credit towards vesting for a PERA pension - from the date of hire for any permanent full-time employee hired on or after January 1, 2007, the employer shall make a deposit of Six Thousand Dollars (\$6,000) 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. In no case may an employee be paid more than \$6,000 under Article 23.6 in his or her lifetime. Deposited funds and accumulated interest shall be available to the employee as required by law.

23.7. Effective upon City Council approval, by resolution duly passed, of this Agreement, any employee hired on or before December 31, 2006, who meets the qualification requirements stated under Article 23.1 and retires from City employment shall receive a lump sum payment of Fifty Dollars (\$50) per month of service for every month over and above 10 full years of service to a maximum of Six Thousand Dollars (\$6,000) 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, which shall be established by the employer in the name of the retiring 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. This paragraph shall expire and become null and void on December 15, 2009 at 11:59 p.m.

ARTICLE 24 - HOSPITAL-MEDICAL INSURANCE - DISABLED EMPLOYEES

24.1. The Employer agrees that it shall be deemed an "employer" as defined in subdivision 5 of Section 62A.147 of Minnesota Statutes, 1976 so that Sections 62A.147 and 62A.148 of said statutes will be applicable to the Employer. This paragraph shall be deemed to pertain only to said sections as they existed in Minnesota Statutes, 1976; it shall not be deemed to incorporate any amendments that may subsequently be made by the legislature. Notwithstanding the foregoing language in this paragraph, the Employer shall not be deemed an "employer" as defined in said Subdivision 5 with regard to any employee or former employee who has attained the age of 65 years. The provisions of this article shall be deemed applicable only to former employees of the Employer presently covered by this article or who qualify after the date of this Agreement.

ARTICLE 25 - PAY PERIODS

25.1. All employees shall be paid every two (2) weeks, and payment for each such two-week period shall be made not later than the Friday next following such two-week period. If any such Friday occurs on a holiday, checks shall be distributed on the working day next prior to such holiday. The amount of pay for each such two-week period shall be determined by multiplying the employee's basic hourly rate by 75 in the case of employees whose normal work week is thirty-seven and one-half (37 ½) hours and by 80 in the case of employees whose normal work week is forty (40) hours. In January of each year, each employee will be notified by the Employer of the dates of deduction-free pay checks. Work time or leave time may be recorded using either a decimal system or an hours and minutes system, whichever is most convenient for the payroll office.

ARTICLE 26 - REST PERIODS

26.1. A rest period of fifteen (15) minutes shall be permitted during each one-half (½) shift. Such rest period will be given at such time as is established by the appropriate supervisor.

ARTICLE 27 - HOLIDAYS - PERSONAL LEAVE

27.1. (a) Employees shall receive full time off with pay for the legal holidays of New Year's Day, Martin Luther King Day, Washington's & Lincoln's Birthday (President's Day), Memorial Day, Independence Day, Labor Day, Christopher Columbus Day, Veteran's Day, Thanksgiving Day, Friday after Thanksgiving, and Christmas Day, as such holidays are defined in Minnesota Statutes Annotated, Section 645.44, Subd. 5.

(b) Effective January 1, 2008, employees shall receive full time off with pay for the legal holidays of New Year's Day, Martin Luther King Day, Washington's & Lincoln's Birthday (President's Day), Memorial Day, Independence Day, Labor Day, Veteran's 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.

(c) In addition, each eligible employee shall receive four (4) days of personal leave with pay each year, to be taken at a time approved by the employer. Employees on initial probation may earn personal leave days. Only employees who have successfully completed their initial probationary period or has been continuously employed by the City for twelve (12) months may utilize any personal leave days. Personal leave days not used by employee before December 31 may not be carried over for use in the next year, unless earned during initial probation.

(d) If an employee cannot get to work because of a snow emergency, the employee may use personal leave, vacation, or compensatory time to be paid for that day.

27.2. Employees whose normal work week is Monday through Friday shall receive time off for the above-described holidays on the date of such holidays. If such employee is required to work such a holiday, such employee shall, in lieu of receiving time off on such holiday and in addition to his or her regular pay for such holiday, be compensated at the rate of one and one-half (1 ½) times his or her current basic hourly rate for each hour worked on such holiday.

27.3. An employee whose normal work week regularly includes Saturdays, Sundays and holidays shall, for those work weeks which include a holiday, as described above, in lieu of receiving time off on such holiday and in addition to his or her regular pay for such holiday, either receive compensation at a rate of one and one-half (1 ½) times his or her current basic hourly rate for each hour worked on such holiday or receive one and one-half (1 ½) hours off for each hour worked on such holiday, whichever is approved by the employer. If a holiday falls on such an employee's normal day off and he or she does not actually work on such holiday, he shall either receive another day off on a date approved by his or her department head, or a day's pay at his or her regular rate, whichever is determined by the employer.

27.4. Employees who receive overtime pay for time worked on a holiday shall not also receive holiday premium pay for such time worked.

ARTICLE 28 - VACATION

28.1. Employees shall receive vacation time in accordance with the following schedule in hours and minutes:

Years of Continuous Service	40 Hours/Pay Period	37.5 Hours/Pay Period	Vacation Days/Year
0 - 4	3.41	3.28	12
5 - 8	5.51	5.29	19
9 - 12	7.05	6.38	23
13 - 16	7.41	7.13	25
17 and over	8.37	8.05	28

28.2. 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.

28.3. Employees shall be allowed to have an accumulation of not more than three hundred fifteen (315) hours of paid vacation time for 37 ½ hour employees and three hundred thirty-six (336) hours of paid vacation time for 40 hour employees as of December 31 of each year. Employees with an accumulation of more than 315 hours for 37 ½ hour employees or 336 hours for 40 hour employees as of December 31 of each year shall forfeit the amount of paid vacation that exceeds these stated limits. Employer shall not pay employees for paid vacation time forfeited pursuant to this section.

28.4. 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 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.

28.5. 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.

28.6. In the event of death of any employee, any vacation or compensatory time accumulated to the credit of such deceased employee shall be compensated for and shall be paid in accordance with Minnesota Statutes, Section 181.58, as amended.

28.7. An employee may give his or her accumulated vacation, or part of it, to another employee, under the following conditions:

1. The gift is voluntarily given.
2. The Employer allows the gift.
3. The recipient is in a serious hardship situation which will be relieved by the gift.

28.8. During calendar year 2007, an employee shall have a right to receive vacation pay in lieu of vacation time off with pay, under the following conditions:

- (a) The employee has accumulated vacation time.
- (b) The employee makes written request to the employer to receive vacation pay in lieu of vacation time off.
- (c) The written request is received by the employer before December 1.
- (d) The amount of accumulated vacation thus "sold back" shall thirty-seven and one-half or forty hours.
- (e) Payment to the employee will be made in the pay period following the date the employee's written request is received.
- (f) Payments under this section are not subject to retroactive pay increases.

28.9. Special Carry-over.

The Chief Administrative Officer or his/her designee may, upon written recommendation of the department head, which states unique and exceptional cause, grant to an employee the privilege of carrying over to the next year an amount of vacation in excess of that allowed by this

contract. The excess granted pursuant to this section must be used by the employee during the first three months of the year.

ARTICLE 29 - SICK LEAVE

29.1. 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. When an employee is unable to or indisposed to report for duty for any of the reasons specified in Section 29.4 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 15 minutes prior to his or her starting time, and must immediately report off when leaving his or her duties.

29.2. When an employee's use of sick leave reasonably appears to be unjustified, the employer may request that the employee provide a physician's explanation to justify subsequent absences. The employer's request shall be in writing and shall state the reason for the employer's request. No request shall be based solely on the number of sick days used by the employee.

The employer's request shall not be considered disciplinary action.

The failure of the employee to provide the physician's written explanation shall preclude the employee from further use of paid sick leave.

The employer's written request shall cease to be in effect six (6) months from the date it is written.

If disciplinary action results from the use of this article, the discipline shall be taken under the Discipline, Suspensions, Removal article of this agreement.

29.3. A Department Head or Acting Department Head may, for work-related reason stated in writing to the employee, require an employee to submit to medical examination, paid for by the employer, to determine an employee's medical fitness to do tasks of employment or to attend work. The employee may refuse the first employer-recommended doctor. The doctor will report only the medical information relevant to the fitness for duty information request.

29.4. 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, 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, and children of the employee's spouse who reside in the employee's home.

(a) **Illness in Family:** Upon request, one (1) day of paid sick leave shall be allowed for care of attendance upon a member of the immediate family for serious 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 Chief Administrative Officer or his designee 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.

29.5. Whenever an employee is absent on sick leave in excess of three (3) consecutive working days, the employer may direct such employee to furnish written explanation by a physician to justify such absence on paid sick leave; failure to furnish such written explanation shall preclude such employee from being allowed such absence as paid sick leave. This section shall not apply to funeral leaves.

29.6. **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.

29.7. (a) **Permanent Non-Duty Disability:** A classified 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 Personnel Committee for a determination of what duties he or she may perform and the proper classification these duties fall under. The committee may then recommend to the employee's appointing authority that a recommendation of demotion to the new class be made to the Civil Service Board.

(b) The employee may be assigned or transferred temporarily to a lower class as provided in Section 5 above until the Civil Service Board takes final action, provided that such assignment shall not result in the denial of promotion to, or the lay-off of, a classified employee.

29.8. 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.

29.9. Any employee removed from the payroll through the operation of this article, if he or she files with the Chief Administrative Officer or his designee 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 or his designee 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 Chief Administrative Officer or his designee.

ARTICLE 30 - FUNERAL LEAVE

30.1. Upon request, a maximum of five (5) days of paid funeral leave shall be granted an employee for a death in the immediate family, as defined in the Sick Leave Article, if the distance to the location of the funeral exceeds five hundred (500) miles from Duluth. Upon request, a maximum of three (3) days of paid funeral leave shall be granted if the distance to the location of the funeral is less than five hundred (500) miles from Duluth.

30.2. 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.

ARTICLE 31 - LONG TERM DISABILITY INCOME

31.1. 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.

31.2. 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.

31.3. Payment of benefits pursuant to this article to a disabled employee shall commence when the employee exhausts his or her allowance of 120 days of sick leave with full pay provided by Article 29 of this agreement. The amount of such protection 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 protection 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 protection. The amount of such protection 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.

31.4. (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 25 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.

31.5. 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, Subd. 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.

31.6. Receipt of long-term 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 31.5 of this Article and has been determined to be returned to work, rehabilitated and/or retrained, or eligible for continuing total disability benefits because he or she is disabled as defined in paragraph 31.5. Such determination shall occur upon the occurrence of paragraph 31.7.

31.7. Medical verification by the employee's treating physician and a physician appointed by the City that the determination is consistent with the employee's medical condition. In event of disagreement, a third physician mutually agreed upon by the employee and the City shall act as arbitrator. The arbitrator's decision as to whether the determination is consistent with the employee's medical condition shall be binding on both parties.

31.8. Disagreements under this article shall be subject to the grievance procedure.

ARTICLE 32 - WORKER'S COMPENSATION

32.1. 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 the amount he or she would have received if he or she were regularly employed, subject to the following:

32.2. For each day of absence the employee shall be charged for three-fifths (3/5) of a day of sick leave. When the employee's sick leave and vacation time have been exhausted, he or she shall no longer receive any salary from the Employer while absent from work, except as otherwise provided for in this agreement.

ARTICLE 33 - JURY DUTY

33.1. An employee shall receive his or her regular daily pay when attending 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 34 - LEAVES OF ABSENCE

34.1. Any employee who, is mentally or physically incapacitated to perform his or her duties or who desires to engage in a course of study such as will increase his or her usefulness on his or her return to the City, or who for any reason considered good 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 or his designee.

34.2. 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.

34.3. The Appointing Authority or Chief Administrative Officer or his designee 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.

34.4. No leaves without pay over thirty (30) calendar days will be granted until the employee has used all accumulated vacation and accrued compensatory leave.

34.5. 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) calendar months of such leave pay the employee's and the employer's share of the cost of coverage.

34.6. Leave of absence without pay for a period of less than thirty (30) calendar days may be granted by 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 12 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.

34.7. Any employee who shall become a member of the armed forces of the United States in time of war or other emergency declared by proper authority, shall be granted a leave of absence

for the term of said military service and shall, upon receiving a discharge from such military service, be reinstated to said position.

34.8. Reinstatement of any employee on military leave of absence shall be at the same salary which he or she would have received had he or she not taken such leave and shall be upon the following conditions:

(a) That the position has not been abolished.

(b) That the employee is not physically or mentally disabled from performing the duties of such position.

(c) That he or she makes written application for reinstatement to the Appointing Authority within ninety (90) days after termination of such service.

(d) That he or she submits to the Appointing Authority an honorable discharge or other form of release by proper authority indicating that his or her military or naval service was satisfactory.

34.9. Upon reinstatement of any employee who has been on military leave of absence, said employee shall have the same rights with respect to accrued and future seniority status, efficiency rating, vacation, sick leave and other benefits as if he or she had been actually employed during the time of such emergency.

34.10. Any employee who shall become a member of the armed forces of the United States in time of war or other emergency declared by proper authority, and who has not served the required probationary period for said position at the time of becoming a member of said armed forces, shall with the approval of the Civil Service Board, at the date that the employee becomes a member of the armed forces of the United States, be considered to have completed said probationary period and shall thereafter have full Civil Service status as though a full probationary period had been served and shall be granted a military leave of absence in accordance with section 33.9 of this article, and shall, upon completion of such military service, if the person is physically and mentally able to perform the duties of the position, be reinstated to the position which he or she held at the time of becoming a member of said armed forces in accordance with this article.

34.11. 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.

34.12. (a) As required by the Minnesota Public Employees Labor Relations Act, the Employer shall afford reasonable time off to any employee who is an elected officer or appointed representative of the union, for the purposes of conducting the duties of the Union, and shall, upon

request, provide a leave of absence to any employee who is an elected or appointed official of the Union or who is appointed to its staff.

(b) Any employee who is on leave of absence for the purpose of serving as an officer or representative of the Union shall, upon the request of such employee, receive his or her regular pay from the employer while on such leave; however, the Employer shall submit to the Union an invoice for reimbursement of an amount based on such employee's gross hourly rate of pay for such leave, and the Union shall then reimburse the Employer for such amount. The Union shall defend the Employer against any claim for any injury, damage or loss which arises out of and within the scope of such service, and shall indemnify the Employer for any such injury, damage or loss, but such obligation to defend and indemnify the Employer shall not extend to the Employer's obligations to provide paid sick leave under Article 29 or to provide long term disability protection under Article 30. No such employee shall receive leave of absence with pay pursuant to this paragraph in excess of a total of 30 working days in any calendar year.

ARTICLE 35 - ASSIGNMENT, TRANSFERS & DEMOTIONS OF EMPLOYEES

35.1. 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 Union is obtained.

35.2. 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 or her original position at any time within (30) calendar days after the department transfer is made.

35.3. Any employee who desires to be transferred may inform the Chief Administrative Officer or his designee in writing of such desire, stating the reasons therefor, and the Chief Administrative Officer or his designee 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 or his designee may himself or herself take the initiative recommending transfer when he or she considers such actions for the good of the City service.

35.4. 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.

35.5. Demotions:

(a) Upon the request of an employee or by the Appointing Authority, an employee may be reclassified from a higher to a lower paid 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 or his designee, 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 or his designee may require; provided, that the recommendation shall also advise the employee that he or she may grieve pursuant to Article 45 of this agreement if he/she does not agree with the Appointing Authority's recommendations.

(c) Upon the decision of the Chief Administrative Officer or his designee to approve a recommendation of demotion, the Chief Administrative Officer or his designee shall submit said approved recommendation to the next Civil Service Board meeting for the appropriate classification changes.

ARTICLE 36 - DISCIPLINE, SUSPENSIONS, REMOVALS

36.1. 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 this agreement. 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 supervisor 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.

36.2. Suspensions:

(a) The Appointing Authority or any supervisor 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 for one (1) or more periods aggregating not more than fifteen (15) working days in a calendar year for each disciplinary incident unless the union and the employer mutually agree to a longer period of time.

(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 this agreement if he or she disagreed with the action of the Appointing Authority.

36.3. Removals:

(a) An appointing authority may, except as provided in Article 37, remove any employee who has completed the probation period prescribed in accordance with Section 13-69 of the Civil Service code 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.

(d) 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.

36.4. Personnel Records. Initial minor infractions, irregularities, or deficiencies shall first be privately brought to the attention of the employee and if corrected shall not be entered into the employee's personnel office record. Investigations which do not result in disciplinary actions shall not be entered into the employee's personnel office records.

Each employee shall be furnished with a copy of all disciplinary entries into all his or her personnel record and shall be entitled to a written response included therein. All disciplinary entries in the personnel record shall state the corrective action expected of the employee.

The contents of an employee's personnel office record shall be disclosed to him or her upon request and to the employee's union representative upon the request of the employee. In the event a grievance is initiated under Article 44, the Appointing Authority shall provide a copy of any items from the employee's personnel office record upon request of the employee.

ARTICLE 37 - RESIGNATIONS

37.1. 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.

37.2. 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.

37.3. 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.

37.4. Any employee who is absent from duty for three (3) consecutive business days without securing leave from the employee's immediate supervisor or without notifying the supervisor of the reason for the employee's absence and the time when the employee expects to return, or who fails to notify the secretary of the employee's readiness to resume the employee's duties within five (5) days after the expiration of a leave of absence, shall be considered to have resigned, and such resignations shall be treated as a resignation without notice and a report thereof made to the secretary.

ARTICLE 38 - MANDATORY RETIREMENT - TERMINATION PAY

38.1. 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, time off due for holidays which fell on his or her days off, and unused compensatory time off, such value to be calculated based on his or her basic hourly rate at the time of his or her termination.

ARTICLE 39 - LAYOFFS OF CLASSIFIED EMPLOYEES

39.1. When, because of lack of work or funds, or to obtain efficiencies, or for other causes for which an employee is not at fault, there is a reduction in the number of employees in a job title within a department, the following procedure shall apply:

(a) All employees working in City government under the J.T.P.A. program and who were not hired through the City's civil service system as classified employees, shall be laid off first.

(b) All temporary, provisional, and substitute employees shall be the next to be laid off within that department, except those employees working as mowers at the golf course, lifeguards, or shelvers at the library, playground leaders, recreation workers, special events coordinators and aides, ice rink caretakers, chairlift operators, ballfield maintenance workers, laborers (rose garden, gardeners, grass mower, litter pickup, street marking and legend painters).

1. Permanent employees who are substituting in a vacant position shall, during any layoff affecting their permanent position or the position to which they are substituting, return to their permanent position.

2. Permanent employees who are promoted provisionally shall, during any layoff affecting their permanent position or the position to which they were provisionally promoted, return to their permanent position.

3. Permanent employees who are on a leave of absence shall, during any layoff affecting their position, be deemed to have returned to his/her position.

4. If any city employee is displaced from a regular civil service position with the employer, then the employer shall allow the displaced employee to replace any temporary, provisional, seasonal, or substitute worker who is performing work which the laid off employee can satisfactorily perform at the laid off employee's regular rate of pay with the same benefits as received by a permanent employee. If any employee qualified to shelve books, in the library department is laid off, he or she may displace part-time library book shelvees to the extent possible to secure full-time employment at the employee's regular rate of pay and receiving regular benefits.

5. In filling any temporary, provisional, seasonal, or substitute positions, the employer shall first offer the temporary employment to individuals whose names appear on a city re-employment list, and who the employer agrees can satisfactorily perform the work, by seniority, as provided for in this agreement at the employee's regular rate of pay and with the same benefits as received by a permanent employee. However, the employer need not make such an offer to an individual who has declined three offers of temporary provisional or seasonal work, or has been on a re-employment list for three years or longer and has not accepted temporary, provisional or seasonal work, or who has declined an offer of a full-time, permanent position.

6. The employer agrees to comply with the provisions of MSA 179A.03, Subd. 14 (f), or its successor in the hiring of temporary employees. The Employer also agrees the same standard shall apply to temporary employees hired through an employment agency.

(c) For purposes of layoff, seniority shall be determined by using the employee's original hire date from which he or she has been continuously employed within this bargaining unit after December 31, 1985 to determine the least senior. Employees employed before January 1, 1986, who are currently in the bargaining unit shall retain seniority held and calculated as of December 31, 1985. Seniority ties shall be determined in the manner laid out in Article 20.

(d) During any layoff that affects a certified or non-certified apprenticeship or training program, all trainees or apprentices shall be laid off until such time as the laid off journeyman or an employee who has completed said program has been recalled or withdraws his or her name from said list or who has been removed from said list according to Sections 40.6 and 40.7.

(e) Bumping: When an employee is laid off in a job title 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 desires, bump any employee in the same or lower job classification in the same job series within the same department, provided the bumping employee has greater seniority than the employee whom he or she bumps, and such bumping shall be accomplished according to the following procedure:

1. When a position in a series of job titles is eliminated, the employee in that position shall be given the option to bump by seniority (e.3.) into any position in the same job title within the department. If an employee does not have sufficient seniority to maintain a position within his or her job title, he or she shall be given the option to bump any employee with less seniority in the next lower job title in that job series within that department.

2. The procedure as described in (Sec. e. 1.a) shall be followed in each lower job title until the least senior employee(s) in the lowest job title in a series within the department is laid off.

3. Any employee who chooses not to exercise his or her bumping rights shall be placed on the re-employment list.

4. When a position that is not in a series of job titles is eliminated, the least senior (39.1.c.) employee in that job title within that department shall be laid off.

(f) For the purposes of this article, the following job series shall each be treated as separate departments: Custodial, Secretarial-Clerical, Accounting and Bookkeeping.

(g) Seniority Ties: Where two (2) or more persons in a job title in which a layoff or reduction is to be made have equal seniority in a job title, the order of layoff or reduction in such tie cases shall be determined first by the total time in the job title in the department and second by total time in the department. If a tie still exists, seniority shall be determined from the highest score on the last examination for the job title that the employee held at the time of layoff.

(h) For purposes of this article only, the employees in the Building Safety Division will bump in the layoff series as if they are in the Administrative Services Department.

39.2. (a) For the purposes of this article, job title(s) shall be defined to mean Civil Service job classification(s). For the purpose of this article, the Civil Service Classifications of Clerical Technician and Clerical Support Technician (J.A.T.C.) shall be treated as one job title. Layoffs and/or bumpings that occur within this composite job title shall be according to the process that is set for in section 38.1.

(b) For the purposes of this article, the Civil Service job classifications of Collection System Maintenance Worker, Utility Operator, and Water and Gas Maintenance Journeyman shall be treated as one job title.

39.3. "Series of job titles" or "job series" as referred to in this article shall be the list of job titles and their order that are negotiated between the union and the employer.

39.4. Demotions made in accordance with this article are not subject to the requirements contained in Article 35 - Demotions, but are subject to the grievance procedure in this collective bargaining agreement.

39.5. The Appointing Authority shall notify in writing the employee or employees to be laid off 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.

ARTICLE 40 - RE-EMPLOYMENT LIST

40.1. The name of any employee who has been laid off shall be placed on the re-employment list, which shall be the same list required by the Civil Service Code. The Chief Administrative Officer or his designee shall enter on the appropriate re-employment list(s), (as provided for in Sec. 2 and 3 of this article), the name(s) of those employees eligible for re-employment and who desire to be re-employed when vacancies occur in the job title(s). The Union shall receive copies of all such lists, and shall be notified of any changes on said lists.

40.2. For job title(s) that are in a City-wide department (see Article 39.1.f, Par. 1.f.)

(a) The name(s) of laid off employees shall be arranged on a re-employment list for the job title from which an employee was laid off and for all lower job titles in the same series in the order of their total seniority with the City.

40.3. For job titles not in a City-wide department, the name(s) of any laid off employee(s) shall be arranged on the re-employment list(s) in the following manner:

(a) A list by job title and the department from which the employee(s) was laid off and by arranging said employee(s) name by total seniority with the City.

(b) A list of any lower job title(s) within the department that has been determined to be part of the same job series, as provided for in Article 39, and by arranging said employee(s) name by total seniority with the City.

(c) A list by job title(s) on a City-wide basis and arranging said employee(s) name by total seniority with the City. This list should be used for those job titles which have the same job description and are used in more than one department (i.e. Light Equipment Operator, Parks Department and Light Equipment Operator, Public Works Department).

40.4. Employees shall be recalled from the re-employment list according to the following procedure:

(a) Employees not in a City-wide department.

1. Sec. 40.3(a) shall be followed first.
2. Sec. 40.3(b) shall be followed second.
3. Sec. 40.3(c) shall be followed third.

(b) Employees in a City-wide department.

1. Sec. 39.2(a) shall be followed.

40.5. Employees who have or could be placed on the re-employment list by other articles of this agreement or as provided for by Civil Service Rules shall have their name placed on appropriate lists as provided for in Sec. 40.2 and 40.3.

40.6. To determine if any employee is interested in remaining on such re-employment list(s), the Chief Administrative Officer or his designee shall, on or about the anniversary date of the layoff and when a position(s) becomes available, contact by certified mail each employee who has not been re-employed. Employees shall have fourteen (14) calendar days to respond by certified mail to the Chief Administrative Officer or his designee if they are interested in accepting a position or if they are still interested in remaining on a re-employment list.

40.7. The Chief Administrative Officer or his designee may remove an employee's name from the re-employment list for a position in the job title from which the employee was originally laid off if: (1) the employee indicates he or she is no longer interested in said position; or (2) the employee refuses to accept an appointment for such position without giving a satisfactory reason. Employees refusing to accept an appointment for a position in a lower job title than the one from which the employee was originally laid off shall have their names removed from such lower list.

ARTICLE 41 - PROBATION TERM

41.1. Probation term employees may be required to serve a probation period which shall not exceed six (6) consecutive calendar months.

ARTICLE 42 - EMPLOYEE SAFETY

42.1. The Employer agrees to maintain sanitary and safe working conditions and to maintain adequate and suitable first aid facilities. The Employer shall furnish and maintain rubber gloves, hip boots, rain gear, hard hats, protective shields, safety appliances, special tools required for safety, and scaffolding, and train the employees using such equipment in the proper use of same. The Employer reserves the right to determine what departments and personnel should receive the above-listed equipment. Employees covered hereby, in the performance of their jobs, shall at all times use safety devices and protective equipment which is furnished to them hereunder and comply with the safety, sanitary, and fire regulations issued by the Employer.

ARTICLE 43 - CIVIL SERVICE RULES

43.1. 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 procedures set forth in said Chapter 13 of the City Code, and shall not be subject to the grievance procedures contained in this agreement.

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

43.3. 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.

43.4. 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.

43.5. The Employer and the Union shall each appoint an equal number of representatives to a committee established to review whether a position should be filled by giving an open, promotional, or open and promotional civil service test. The recommendations to which a majority of the committee agree shall be forwarded as a joint recommendation to the Civil Service Board.

43.6. Employees who were incumbents in the classifications of either Water & Gas Regulator Mechanic or Water & Gas Radio Dispatcher on December 1, 1998, shall have the right to return to their last previously held classification without further testing, and shall retain seniority and benefits as set out in this contract.

ARTICLE 44 - LABOR-MANAGEMENT COMMITTEE

44.1. A committee consisting of one representative of the Union and one representative of the Personnel Department of the City of Duluth shall be established to meet and confer on the following functions during the period of this Agreement:

At least once every three (3) months, 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 than fourteen calendar days prior to the date it is scheduled on the Civil Service Board Agenda.

44.2. The Personnel Committee shall meet and negotiate the pay rate and placement in a layoff series 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.

(c) When the Employer creates a new job description or amends a current job description, it shall notify the Union of the proposed rate of pay. The Employer and the Union shall meet and negotiate regarding the rate of pay for the job description. If the Employer and the Union are unable to reach an agreement as to the rate of pay for the job description within 10 days from the Employer's written notice to the Union that a pay rate must be set, then either may request mediation services from the Bureau of Mediation Services.

1. If agreement has not been reached after one mediation session or if a second session has not occurred within 20 days of the date of the request, then either party may request the mediator to make an immediate written recommended settlement. The recommendation shall become binding 5 days after receipt of it by the Employer.

2. The cost, if any, of the mediator shall be equally split between the Employer and the Union.

3. The Employer and the Union shall each submit to the mediator only one final best position for the pay rate for the job description. The only other materials that a party may present to the mediator are:

- a. discussion held in the mediation session;
- b. joint stipulations as to facts;
- c. affidavits of individual parties, should the parties disagree as to the facts;
- d. a copy of the approved civil service job description;
- e. staff job evaluation reports, with pay equity study results used only to show if there is non-compliance;
- f. and a letter supporting its position (not to exceed two (2) pages 8½x11 inches, double-spaced, with one inch margins and twelve point type).

[Management rights are found in Article 5 of this agreement.]

The mediator's written recommendation shall award either the Union's final position or the Employer's final position. The mediator shall have no power to make any recommendation other than the final, best position submitted by one of the parties.

44.3. The Personnel Committee shall meet to discuss the establishment of apprenticeship programs. 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.

44.4 A Labor Management Committee consisting of three union appointed representatives and three management representatives shall be created for the purpose of establishing Labor-Management Subcommittees. This umbrella committee has the authority to establish, monitor the progress of, forward the recommendations of the subcommittees to the Administration and Labor and dissolve any subcommittee established. Recommendations will be responded to by the responsible manager and/or business agent in a timely manner. These labor-management subcommittees will be responsible for collaboratively addressing common interests that may include, but are not limited to the following:

- Budget related issues
- Staffing levels
- Employee retention
- Working environment
- Health and safety issues
- Customer service levels
- Compensatory time
- Employee expense policies

44.5 Job Audits. The Employer agrees to provide a list of the current jobs awaiting completion of a job audit.

(a) For those jobs on the list prior to November 1, 2003, the Employer agrees that any pay adjustment will take effect on completion of the job audit or July 1, 2004, whichever occurs first.

(b) For job audit requests that are added to the list after this agreement is approved, the Employer agrees to make any pay adjustments from those job audits take effect no later than six months from the date the job audit request is filed.

ARTICLE 45 - GRIEVANCE PROCEDURE

45.1. 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 first line or division manager or, in the absence of such manager, to his or her authorized representative with a copy of the grievance being sent to the Department Director. Within five (5) working days of receipt of the grievance, the manager shall meet with the grieving employee/s and the steward to try to fairly and equitably resolve the grievance.

45.2. Should the manager and grieving employee/s be unable to easily resolve the grievance, the manager and the union steward will meet and collaboratively prepare a written report of the specific contract language, facts, and circumstances pertaining to the grievance. Such fact and circumstances report shall be prepared within five (5) working days of the initial meeting between the manager and employee/s. Both sides shall make a good faith attempt to make the report as complete and accurate as possible. Preparation of the report shall include jointly interviewing all those affected by or with knowledge of the facts and circumstances surrounding the grievance.

45.3. The manager, in consultation with the department head shall present the Employer's position in writing to the employee or employees and the Union within seven (7) working days after receipt of the fact and circumstances report. Grievances not resolved within the department must be presented by the employee or employees through the Union in writing to the Chief Administrative Officer or designee within twelve (12) working days after the Employer has given its reply to such grievance. The Chief Administrative Officer or designee shall reply in writing to the aggrieved employee or employees and the Union within twelve (12) working 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.

45.4. If the grievance is not settled in accordance with the foregoing procedure, the Union may, within twelve (12) working days after receipt of the reply of the Chief Administrative Officer or designee submit the grievance to arbitration by serving notice in writing of such submittal upon the Chief Administrative Officer or designee. In the event the parties are unable to agree upon an arbitrator within said twelve (12) day period, either party may request the Bureau of Mediation Services of the State of Minnesota to submit a panel of at least five arbitrators. The parties shall each have the right to alternately strike names from the panel until one name 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 the parties.

45.5. 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 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 within 30 days 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.

45.6. 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 provisions of Minnesota Statutes Annotated.

45.7. 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.

45.8. 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.

45.9. All documents, communications, and records dealing with a grievance shall be filed separately from the personnel files of the employees involved.

45.10. Access to all information necessary to the determination and processing of a grievance shall be made available to all participants.

ARTICLE 46 - UNION RIGHTS

46.1. 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 Basic 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 47 - P.E.O.P.L.E. CHECKOFF

47.1. The Employer shall deduct from the wages of any employee who is a member of the Union a P.E.O.P.L.E. deduction as provided for in a written authorization. Such authorization must be executed by the employee and may be revoked by the employee at any time by giving written notice to both the Employer and the Union. The Employer shall remit any deductions made pursuant to this provision promptly to the Union together with an itemized statement showing the name of each employee from whose pay such deductions have been made and the amount deducted during the period covered by the remittance.

ARTICLE 48 - COMPLETE AGREEMENT AND WAIVER OF BARGAINING

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

ARTICLE 49 - DURATION OF AGREEMENT

49.1. Subject to any specific limitations or extensions of effective periods which may appear elsewhere in this Agreement, this Agreement shall be effective as of the 1st day of January, 2007, and shall remain in full force and effect through the 31st day of December, 2009, 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 less than sixty (60) days prior to the date of expiration of this Agreement.

ARTICLE 50 - JOINT APPRENTICESHIP TRAINING COMMITTEE

50.1. The Employer and the Union have entered into a separate agreement for the establishment of standards of apprenticeship. The standards of apprenticeship require the establishment of a Joint Apprenticeship Training Committee (J.A.T.C.). In order to clarify the Committee's function, the following shall apply: The Joint Apprenticeship Training Committee shall approve all apprenticeship programs, including training programs, course content, the development of a monitoring system to comply with the established programs, and the development of a verification and certification procedure for compliance. The Joint Apprenticeship Training Committee shall not be responsible for the establishment of pay rates, job descriptions, or contract language for the implementation of those programs.

ARTICLE 51 - REOPENERS

51.1. The parties agree to meet and confer in the Insurance Committee for appropriate changes in medical insurance plan, and long-term disability plan, to achieve reasonable and conservative cost containment suggestions.

51.2. The parties agree to meet and confer preferably with the J.A.T.C. Committee to discuss changes in the structuring of Appendix 5, Apprenticeship Programs, and then negotiate contract changes, if possible.

51.3. During the term of this contract, either party may require the other to negotiate provisions of this contract concerning rate of pay for employees who answer telephone calls while on stand-by duty - Article 18.

51.4. During the term of this Agreement, either party may require the other to meet and negotiate concerning the recommendation of the Uniform Committee (Article 11.8), including any concerning jackets in the Public Works Department, the effect of the drug and alcohol policy on terms and conditions of employment, or the pay for specially audited jobs (Article 44.4).

51.5. During the term of this Agreement, either party may require the other to meet and negotiate concerning any new or modified job specification or title, or any issue of pay, seniority, assignment, scheduling, or other term or condition of employment not otherwise reserved to management as an inherent management right, resulting from the integration of the Department of Water and Gas and the Department of Public Works.

ARTICLE 52 - COMPARABLE WORTH

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

ARTICLE 53 - FLEXIBLE BENEFITS

Any employee may participate in the City of Duluth flexible benefits plan in accordance with federal law.

ARTICLE 54 - PART-TIME AND SEASONAL EMPLOYEES

54.1. Definitions - A part-time employee is an employee who works year round, and who works more than 14 hours a week, but not more than 30 hours a week. A seasonal employee is an employee who works more than 100 days in a calendar year, but not more than 1,040 hours in that calendar year. Seasonal employees are only eligible to work from April 1-November 1 of each year.

54.2. Part-time positions will be filled in accordance with Civil Service Rules and existing practices and procedures used for full-time employees as set forth in this contract for full-time employees. Part-time positions that increase from under 24 hours a week to more than 24 hours a week, or from under 30 hours a week to more than 30 hours a week, will be reposted and interested employees will be selected off the appropriate Civil Service list and in accordance with Civil Service Rules.

54.3. Benefits will accrue to part-time employees in the following manner:

(a) Employees who are scheduled to work 14-23½ hours a week will accrue benefits at ½ the full time rate.

(b) Employees who are scheduled to work 24-30 hours a week will accrue benefits at ¾ the full time rate.

(c) Employees who are scheduled to work more than 30 hours a week will accrue benefits at the full time rate.

Seasonal employees, regardless of hours worked, shall not be eligible for any employee benefits, either active or retiree, contained in this Agreement. Seasonal workers will, however, receive compensation at a rate of 1 and ½ times their current basic hourly rate for each hour worked on holidays recognized in Article 27.1(a) and (b). The number of seasonal groundskeeper employees will not exceed 10% of the number of budgeted, full-time A.F.S.C.M.E. bargaining unit employees for the given year. No full-time or permanent employee covered by this Agreement will be displaced by a seasonal employee.

For part-time employees, the Employer shall contribute the full cost of the part-time employee's single health care coverage. Part-time employees will not, however, be eligible for dependent (family) health care coverage.

Part-time, qualified employees will be eligible for active benefits, on a pro-rated basis, according to their work schedule, effective after the same time periods as their full-time counterparts. Any part-time employee hired on or after January 1, 2007, shall not be eligible for any retiree health care, any lump sum payment to a health care savings plan account or retiree life insurance benefits.

54.4. Part-time employees who are laid off are entitled to the same rights as full-time employees as outlined in Article 39.1. Seasonal employees may be eligible for rehire, but must

reapply each year. A seasonal employee does not have the right to replace any employee under Article 39.

Seniority for part time employees shall be calculated based upon hours scheduled to be worked (1950 hours for pay ranges 116 to 142 and 2080 hours for pay ranges 14 to 39 shall be equivalent to one full year of full time employment.).

For holidays, each part time employee will be scheduled to work a fraction of each holiday based upon the hours they are scheduled to work each week and shall be granted time off with pay.

Overtime will be paid according to the provisions set out in the collective bargaining agreement.

54.5. The Employer retains the right to determine staffing levels and the number of hours of positions. The Employer retains the right to implement layoffs as provided in Article 39 and manage the workforce as provided in Article 5. No full-time employee will have his/her hours involuntarily reduced except in the case of an unforeseen financial crisis as determined by the City Administration. Prior to an involuntary reduction of hours, the City will notify the Union in writing. Within 7 calendar days of such notification, the Union and City shall meet and confer to discuss salary savings alternatives. Ten calendar days from the date of the City's original notification the City may implement the following procedure. The employer shall offer, as a cost savings measure, a voluntary reduction in hours without pay. The Union and the City agree to support a voluntary reduction in hours. During such voluntary reduction of hours, the employee shall continue his/her seniority and health care benefits as if employed full-time. Any reduction of hours granted under this provision is subject to the approval of the employer. Due to a financial crisis, the City may temporarily transfer an employee from one department to a different department without loss of pay, benefits, or seniority. Effective January 1, 2008, in the event of an involuntary reduction of hours, a full-time employee's hours may be reduced to no less than 32 hours per week for up to 2 pay periods per year, unless mutually extended. Involuntary reductions in hours will be made by inverse seniority and distributed as evenly as practicable amongst the bargaining unit. A full-time employee who has been notified of an involuntary reduction of hours under this Article may displace a temporary or seasonal employee at the temporary/seasonal rate of pay provided the full-time employee meets the minimum qualifications of the job. Such temporary or seasonal displacement is limited to the period of the full-time employee's involuntary reduction of hours under this Article.

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

Dated: _____

CITY OF DULUTH

LOCAL 66 of A.F.S.C.M.E., represented by
A.F.S.C.M.E Minnesota Council 5

By _____
Mayor

By _____
President, Local 66

Attest _____
City Clerk

By _____
Regional Director, Council 5

By _____
Chief Administrative Officer

By _____
Business Representative

Countersigned:

City Auditor

Approved as to form:

City Attorney

APPENDIX 1

TITLE	RANGE	JOB CLASS NO.
Administrative Clerical Specialist	127	1810
Administrative Finance Specialist	90%-100% of 129E	1819
Administrative Information Specialist	90%-100% of 129E	1818
Administrative Secretarial Specialist	127	1811
Administrator, Land Use Regulations	138	2404
Animal Shelter Leadworker	30	1534
Animal Control Officer	24	4435
Appliance Mechanic Apprentice	26A-27E**	4438
Appliance Mechanic Journeyperson	30**	4238
Appraiser	127A-134E**	3332
Assessors Office Coordinator	131	1737
Assistant Business Developer	135	3111
Assistant Golf Course Superintendent	31	4129
Assistant Storekeeper	24	4303
Athletic Turf Maintenance Coordinator	30	4447
Bridge Operator	27	4429
Building Maintenanceperson	26	4203
Business Developer	142	3118
Carpenter	29	5206
Chief Communications Liaison	136	4124
Chief Water Plant Operator	34	1711
Clerical Specialist	124	4320
Clerical Support Technician	79%-100% of 121E	4336
Clerical Technician	120	4419
Code Plan Review Consultant	27	4420
Collection System Maintenance Worker	28	4241
Community Liaison	127	4131
Computer Operator	122-124(2)	4228
Construction Inspector	31	5102
Corrosion Technician	32	5404
Criminal Intelligence Analyst	131	1822
Customer Service Leadworker	32	3226
Electrical Inspector	31	5104
Electrician	29	5205
Electronics Technician	30A-31E	3228
Electronics Technician Leadworker	33	1533
Employee Benefits Specialist	136	3231
Employment Technician	131	3421
Engineering Technician	28*(1)	4106
Equipment Maintenance Specialist	25	4430
Finance Technician	82%-100% of 126E	3425
Financial Analyst	70%-100% of 136E	3120

Fleet Services Leadworker	32	1752
Garden Maintenance Worker	24	5401
Gas and Energy Coordinator	32	1750
Gas Control Operator I	26	4302
Gas Control Operator II	28	4212
Gas Fitter	29	4240
Geographical Information Systems Specialist	133A-136E(4)	3213
Graphics Coordinator	131	3305
Head Mechanic	28	1804
Heating and Ventilating Inspector	31	5103
Heavy Equipment Mechanic	28	4133
Heavy Equipment Operator	27	4205
Housing Inspector	29	3404
Housing Inspector Leadworker	32	1535
Industrial Equipment Technician	27	4242
Industrial Painter	29	5210
Information Technician	82%-100% of 126E	3424
Janitor I	121	4411
Janitor II	122	4316
Janitorial Supervisor	25	1822
Librarian I	131	3409
Librarian II	133	3303
Librarian III	136	1331
Library Assistant II	119	4313
Library Custodian	22	4408
Library Technician	124**	4327
Lift Station Apprentice	23A-25E**	4417
Lift Station Operator	29	4229
Light Equipment Operator	26	4216
Maintenance Operations Leadworker	32	3331
Maintenance Worker	22	4405
Maintenance Worker Helper	16	5407
Master Electrician	31	5205
Master Plumber	31	1820
Meter Mechanic	29	4208
Meter Reader	22	4409
Network Administrator	137	3215
Painter	29	5202
Paralegal	131	3224
Park Maintenance Worker	27	4141
Parking Meter Monitor	18	4415
Parking Ramp Attendant	15	5402
Parks and Garden Maintenance Leadworker	32	1747
Personnel Analyst	131	3222
Personnel Technician II	137	3203
Pipeline Welder	31	4432

Planner I	129	3426
Planner II	133	3302
Plans Examiner	29	3428
Plans Examiner Leadworker	32	3427
Plumber	29	5204
Plumbing Inspector	31	5101
Police Records Coordinator	132	1743
Programmer Analyst	133-136 (3)	3212
Project Architect	36	3108
Project Coordinator	32	3321
Project Engineer	36	3112
Prosecution Assistant	131	4128
Public Information Coordinator	135	3113
Recreation Specialist	26	4434
Regulator Mechanic	29	4207
Safety and Training Coordinator	137	1522
Safety & Training Specialist	135	1605
Seasonal Groundskeeper	14A	5408
Secretarial Specialist	124	4321
Senior Animal Shelter Technician	26	4237
Senior Buyer	133	3316
Senior Center Coordinator	124	4338
Senior Clerical Specialist	125	4232
Senior Community Employment Director	134	1738
Senior Computer Operator	125	4118
Senior Engineering Specialist	34	3119
Senior Engineering Technician	31 (1)	1810
Senior Gas Control Operator	30	3225
Senior Library Technician	128	4223
Senior Planner	136	3204
Senior Programmer Analyst	137	3114
Senior Ramp Worker	24	5406
Senior Secretarial Specialist	125	4234
Signal Technician	30	4226
Solid Waste Compliance Officer	25	1817
Special Assessment Coordinator	129	3219
Special Events Coordinator	129	4127
Storekeeper	27	4201
Support Analyst	131	4126
Telecommunications Administrator	137	1551
Traffic Maintenance Worker	27	4304
Traffic Operations Leadworker	32	3331
Utility Accounts Receivable Specialist	132	1823
Utility Operator	28	4140
Utility Operations Leadworker	32	1749
Utility Radio Dispatcher	26	4210

Utility Service Journeyperson	28**	4220
Utility Serviceperson	25A**	4407
Van Driver	14a	5405
Warehouse Assistant	29	4243
Warehouse Leadworker	32	4132
Warehouse Specialist	30	4142
Water & Gas Equipment Operator	29	4114
Water & Gas Maintenance Journeyperson	28*	4231
Water Lab Chemist	32	3123
Water Lab Technician	27	3232
Water Plant Operator A	31	3330
Water Plant Operator B	28	4116
Water Plant Operator Apprentice	26	4424
Water Quality Specialist	31	1738
Welder	28	4431
Workforce Development Planner	130	3320
Zoning Coordinator	30	3306
Zoo Keeper I	23	4426
Zoo Keeper II	25	4219

* The salary for any person so employed shall be determined in accordance with Clause 8, Paragraph 8.7.

** Pay rate shall be the same as that of the Administrative Secretary including any comparable worth pay supplement, commencing January 1, 1988.

APPENDIX 2
2007 Basic Pay Plan

116	1862	1928	2010	2077	2160
117	1928	2010	2077	2160	2246
118	2010	2077	2160	2246	2332
119	2077	2160	2246	2332	2424
120	2160	2246	2332	2424	2530
121	2246	2332	2424	2530	2636
122	2332	2424	2530	2636	2739
123	2424	2530	2636	2739	2855
124	2530	2636	2739	2855	2967
125	2636	2739	2855	2967	3089
126	2739	2855	2967	3089	3223
127	2855	2967	3089	3223	3366
128	2967	3089	3223	3366	3514
129	3089	3223	3366	3514	3660
130	3223	3366	3514	3660	3820
131	3366	3514	3660	3820	3980
132	3514	3660	3820	3980	4173
133	3660	3820	3980	4173	4351
134	3820	3980	4173	4351	4549
135	3980	4173	4351	4549	4958
136	4173	4351	4549	4958	4655
137	4351	4549	4958	4655	5184
138	4549	4958	4655	5184	5434
139	4743	4655	5184	5434	5674
140	4655	5184	5434	5674	5916
141	5184	5434	5674	5916	6210
142	5434	5674	5916	6210	6489
4	2407	2509	2622	2743	2850
6	2743	2849	2978	3106	3241
7	2978	3111	3246	3408	3570
9	3385	3542	3704	3869	4045
10	4106	4304	4518	4741	4968

14A	1517	1577	1608	1705	1775
14	1319	1364	1414	1459	1512
15	1743	1819	1890	1966	2033
16	1985	1999	2036	2224	2319
17	1999	2036	2224	2319	2415
18	2145	2224	2319	2415	2510
19	2224	2319	2415	2510	2610
20	2319	2415	2510	2610	2727
21	2415	2510	2610	2727	2840
22	2510	2610	2727	2840	2956
23	2610	2727	2840	2956	3083
24	2727	2840	2956	3083	3220
25	2840	2956	3083	3220	3351
26	2956	3083	3220	3351	3492
27	3083	3220	3351	3492	3645
28	3220	3351	3492	3645	3809
29	3351	3492	3645	3809	3975
30	3492	3645	3809	3975	4171
31	3645	3809	3975	4171	4335
32	3809	3975	4171	4335	4528
33	3975	4171	4335	4528	4732
34	4171	4335	4528	4732	4943
35	4335	4528	4732	4943	5169
36	4528	4732	4943	5169	5408
37	4732	4943	5169	5408	5662
38	4943	5169	5408	5662	5916
39	5169	5408	5662	5916	6188

APPENDIX 3
2008 Basic Pay Plan

116	1918	1986	2070	2139	2225
117	1986	2070	2139	2225	2314
118	2070	2139	2225	2314	2402
119	2139	2225	2314	2402	2497
120	2225	2314	2402	2497	2606
121	2314	2402	2497	2606	2715
122	2402	2497	2606	2715	2821
123	2497	2606	2715	2821	2941
124	2606	2715	2821	2941	3056
125	2715	2821	2941	3056	3181
126	2821	2941	3056	3181	3320
127	2941	3056	3181	3320	3467
128	3056	3181	3320	3467	3619
129	3181	3320	3467	3619	3770
130	3320	3467	3619	3770	3934
131	3467	3619	3770	3934	4099
132	3619	3770	3934	4099	4298
133	3770	3934	4099	4298	4482
134	3934	4099	4298	4482	4685
135	4099	4298	4482	4685	4804
136	4298	4482	4685	4804	4795
137	4482	4685	4804	4795	5340
138	4685	4804	4795	5340	5597
139	4885	4795	5341	5597	5844
140	4795	5341	5597	5844	6093
141	5340	5597	5844	6093	6397
142	5597	5844	6093	6397	6684
4	2479	2584	2701	2825	2935
6	2825	2934	3067	3199	3338
7	3067	3204	3344	3510	3677
9	3486	3648	3815	3985	4166
10	4229	4433	4654	4883	5117

14A	1563	1624	1656	1756	1828
14	1359	1405	1456	1503	1557
15	1795	1874	1947	2025	2094
16	2045	2059	2097	2291	2389
17	2059	2097	2291	2389	2487
18	2209	2291	2389	2487	2585
19	2291	2389	2487	2585	2688
20	2389	2487	2585	2688	2809
21	2487	2585	2688	2809	2925
22	2585	2688	2809	2925	3045
23	2688	2809	2925	3045	3175
24	2809	2925	3045	3175	3317
25	2925	3045	3175	3317	3452
26	3045	3175	3317	3452	3597
27	3175	3317	3452	3597	3754
28	3317	3452	3597	3754	3923
29	3452	3597	3754	3923	4094
30	3597	3754	3923	4094	4296
31	3754	3923	4094	4296	4465
32	3923	4094	4296	4465	4664
33	4094	4296	4465	4664	4874
34	4296	4465	4664	4874	5091
35	4465	4664	4874	5091	5324
36	4664	4874	5091	5324	5570
37	4874	5091	5324	5570	5832
38	5091	5324	5570	5832	6093
39	5324	5570	5832	6093	6374

APPENDIX 4
2009 Basic Pay Plan

116	2032	2100	2184	2253	2339
117	2100	2184	2253	2339	2427
118	2184	2253	2339	2427	2516
119	2253	2339	2427	2516	2610
120	2339	2427	2516	2610	2720
121	2427	2516	2610	2720	2829
122	2516	2610	2720	2829	2935
123	2610	2720	2829	2935	3055
124	2720	2829	2935	3055	3170
125	2829	2935	3055	3170	3295
126	2935	3055	3170	3295	3433
127	3055	3170	3295	3433	3581
128	3170	3295	3433	3581	3733
129	3295	3433	3581	3733	3884
130	3433	3581	3733	3884	4048
131	3581	3733	3884	4048	4213
132	3733	3884	4048	4213	4412
133	3884	4048	4213	4412	4595
134	4048	4213	4412	4595	4799
135	4213	4412	4595	4799	4918
136	4412	4595	4799	4918	4908
137	4595	4799	4918	4908	5453
138	4799	4918	4908	5453	5711
139	4999	4908	5455	5711	5958
140	4908	5455	5711	5958	6207
141	5454	5711	5958	6207	6511
142	5711	5958	6207	6511	6798
4	2593	2698	2814	2939	3049
6	2939	3048	3181	3313	3452
7	3181	3318	3457	3624	3791
9	3600	3762	3929	4099	4280
10	4343	4546	4768	4997	5231

14A	1684	1745	1777	1877	1949
14	1480	1526	1577	1624	1678
15	1916	1995	2068	2146	2215
16	2166	2180	2218	2412	2510
17	2180	2218	2412	2510	2608
18	2330	2412	2510	2608	2706
19	2412	2510	2608	2706	2809
20	2510	2608	2706	2809	2930
21	2608	2706	2809	2930	3046
22	2706	2809	2930	3046	3166
23	2809	2930	3046	3166	3296
24	2930	3046	3166	3296	3438
25	3046	3166	3296	3438	3573
26	3166	3296	3438	3573	3718
27	3296	3438	3573	3718	3875
28	3438	3573	3718	3875	4044
29	3573	3718	3875	4044	4215
30	3718	3875	4044	4215	4417
31	3875	4044	4215	4417	4586
32	4044	4215	4417	4586	4785
33	4215	4417	4586	4785	4995
34	4417	4586	4785	4995	5212
35	4586	4785	4995	5212	5445
36	4785	4995	5212	5445	5691
37	4995	5212	5445	5691	5953
38	5212	5445	5691	5953	6214
39	5445	5691	5953	6214	6495

APPENDIX 5

SENIOR ENGINEERING TECHNICIAN (1)

A person occupying a position as an Engineering Technician shall become eligible for participation in the Senior Engineering Technician Program upon reaching Salary Range 28, step E. Entrance to the program begins on the date Human Resources receives written notification from an eligible employee of his/her interest in participating. Participation in this program shall be voluntary.

The salary for any person entering the Senior Engineering Technician Program shall be as follows:

SALARY RANGE 31, STEP B for any such person upon entrance to the program.

SALARY RANGE 31, STEP C for any such person with not less than six (6) months service at salary range 31, step B and with satisfactory service* for the preceding six (6) months and with successful completion of one of the three training modules described herein.

SALARY RANGE 31, STEP D for any such person with not less than six (6) months service at salary range 31, step C and with satisfactory service* for the preceding six (6) months and with successful completion of one of the remaining two training modules described herein.

SALARY RANGE 31, STEP E for any such person with not less than six (6) months service at salary range 31, step D and with satisfactory service* for the preceding six (6) months and with successful completion of the remaining training module described herein.

Upon reaching Salary Range 31, Step E, the participating employee shall automatically be reclassified to Senior Engineering Technician.

The training modules listed above are as follows:

**Module I: Interpersonal communications and writing skills

**Module II: Team performance (includes problem solving, decision-making, conflict resolution)

**Module III: Microcomputer applications

*Satisfactory service will be a determination of the City Engineer. Incumbents who disagree with the City Engineer's determination may grieve it in accordance with Article 45 of this agreement.

**Courses for each module will be determined by the City Engineer and will be revised as necessary to remain current with changing technology.

DATA PROCESSING CAREER DEVELOPMENT PLAN
COMPUTER OPERATOR SERIES (2)

The salary for any person appointed to a position as a Computer Operator shall be as follows:

SALARY RANGE 122, STEP A, for any such person with less than six (6) months of service in such position.

SALARY RANGE 122, STEP B, for any such person with not less than six (6) months service in such position.

SALARY RANGE 122, STEP C, for any such person with not less than eighteen (18) months service in such position; who has satisfactorily completed Computer Operator Course I, the content of which shall have been approved by the Personnel Committee; whose satisfactory completion of such course shall have been certified by the Administrative Assistant or his designee; who has been certified according to Personnel Department requirements as being competent at performing the duties of such position; and whose service rating for the preceding six (6) months has been rated satisfactory by the individual's department director.

SALARY RANGE 122, STEP D, for any such person with not less than twelve (12) months service at salary Range 122, Step C.

SALARY RANGE 122, STEP E, for any such person with not less than twelve (12) months service at Salary Range 122, Step D.

SALARY RANGE 123, STEP E, for any such person with not less than twelve (12) months service at Salary Range 122, Step E; who has satisfactorily completed Computer Operator Course #I and #II, the content of which shall have been approved by the Personnel Committee; whose satisfactory completion of such courses shall have been certified by the Administrative Assistant or his designee; who has been certified by the Personnel Department requirements as being competent at performing the duties of such position; and whose service rating for the preceding six (6) months has been rated as satisfactory by the individual's department director.

A Computer Operator shall be automatically promoted to pay Step 124E upon passing a Personnel Department Education and Experience Rating Exam after being at Salary Range 123, Step E, for not less than six (6) months; and whose service rating for the preceding six (6) months has been rated satisfactory, including Computer Operator Course #I and #II.

PROGRAMMER ANALYST CAREER DEVELOPMENT PLAN (3)

The salary for any person appointed to a position as a Programmer Analyst shall be as follows:

Range 133, step A with less than 6 months service in such position.

Range 133, step B with not less than 6 months service in such position

Range 133, step C with not less than 12 months at step B and with satisfactory service for the preceding 12 months.

Range 133, step D with not less than 12 months at step C and with satisfactory service for the preceding 12 months.

Range 133, step E with not less than 12 months at step D and with satisfactory service for the preceding 12 months and completion of an applicable course in the programming development discipline. This course could include a vendor or third-party professional training, vocational training, or college level course. Examples of applicable course training might include Visual Basic, Java, XML, ASP, Oracle database administration. Course must be approved by the MIS Manager.

Range 134, step E with not less than 12 months at Range 133, step E and with satisfactory service for the preceding 12 months and completion of an applicable course in the programming development discipline. This course could include a vendor or third-party professional training, vocational training, or college level course. Examples of applicable course training might include Visual Basic, Java, XML, ASP, Oracle database administration. Course must be approved by the MIS Manager.

Range 135, step E with not less than 12 months at Range 134, step E and with satisfactory service for the preceding 12 months and completion of an applicable course in the programming development discipline. This course could include a vendor or third-party professional training, vocational training, or college level course. Examples of applicable course training might include Visual Basic, Java, XML, ASP, Oracle database administration. Course must be approved by the MIS Manager.

Range 136, step E with not less than 12 months at Range 134, step E and with satisfactory service for the preceding 12 months and completion of an applicable course in the programming development discipline. This course could include a vendor or third-party professional training, vocational training, or college level course. Examples of applicable course training might include Visual Basic, Java, XML, ASP, Oracle database administration. Course must be approved by the MIS Manager.

*Satisfactory service will be determination of the Manager, MIS. Incumbents who disagree with the Manager's determination may grieve it in accordance with Article 45 of this agreement.

GIS SPECIALIST CAREER DEVELOPMENT PLAN (4)

The salary for any person appointed to a position as a GIS Specialist shall be as follows:

Range 133, step A with less than 6 months service in such position

Range 133, step B with not less than 6 months service in such position

Range 133, step C with not less than 12 months at step B and with satisfactory service for the preceding 12 months.

Range 133, step D with not less than 12 months at step C and with satisfactory service for the preceding 12 months.

Range 133, step E with not less than 12 months at step D and with satisfactory service for the preceding 12 months and completion of an applicable course in the GIS development discipline. This course could include a professional vendor or third-party training, vocational training, or college level course. Examples of applicable course training might include C++, Java, ESRI applications or utilities, Oracle database administration. Course must be approved by the MIS Manager.

Range 134, step E with not less than 12 months at Range 133, step E and with satisfactory service for the preceding 12 months and completion of an applicable course in the GIS development discipline. This course could include a vendor or third-party professional training, vocational training, or college level course. Examples of applicable course training might include C++, Java, ESRI applications or utilities, Oracle database administration. Course must be approved by the MIS Manager.

Range 135, step E with not less than 12 months at Range 134, step E and with satisfactory service for the preceding 12 months and completion of an applicable course in the GIS development discipline. This course could include a vendor or third-party professional training, vocational training, or college level course. Examples of applicable course training might include C++, Java, ESRI applications or utilities, Oracle database administration. Course must be approved by the MIS Manager.

Range 136, step E with not less than 12 months at Range 134, step E and with satisfactory service for the preceding 12 months and completion of an applicable course in the GIS development discipline. This course could include a professional training, vocational training, or college level course. Examples of applicable course training might include C++, Java, ESRI applications or utilities, Oracle database administration. Course must be approved by the MIS Manager.

*Satisfactory service will be determination of the Manager, MIS. Incumbents who disagree with the Manager's determination may grieve it in accordance with Article 45.

LETTER OF ADDENDUM (B)

The following individuals will be allowed to participate in the standby schedule as provided in 18.2, 18.3, and 18.4 of this agreement.

The one (1) Water and Gas Pipeline Welder who was on standby schedule September 1, 1986.

Storekeeper: On October 24, 1986.

When an individual listed herein no longer agrees to participate in the standby schedule or leaves his/her current position, his/her name shall be removed from the list in 18.3 and he/she shall not be allowed to participate in the future.

Dated time of approval of attached Contract.

By _____
Personnel Director

By _____
Mayor

Approved as to form:

By _____
Deputy City Attorney

Attest _____
City Clerk

LOCAL 66, City and County Public
Service Union Local 66 of the AFSCME,
represented by Minnesota Arrowhead
District Council 96

By _____
President, Local 66

By _____
Director, Council 96

Business Representative

LETTER OF ADDENDUM (C)
HEALTH INSURANCE

1. It is jointly agreed between the Union and the City that the goal of the two parties is to establish a joint Labor-Management Committee that will administer the health insurance plan of the City, all collective bargaining units and eligible sub-groups. This collective bargaining agreement will be amended as soon as possible to include a plan for the administration which is agreeable to all five unions and the City. If the by-laws require a unanimous vote, there must be a method established for the resolution of impasses reached by the committee.

2. The health insurance fund is a dedicated fund and can only be used for the payment of health care expenses, as determined by the Health Insurance Committee. Any interest earned through investment of monies in the health insurance fund shall be credited to this fund.

3. For 1994 only (due to the issue of claims experience for July 1, 1992, to June 30, 1993, being half under the fee-for-service only plan and half under a three optional plan arrangement), recalculation of the premiums for all plans will be done by April 15th using actual claims and other costs include in the calculation methodology contained in this agreement from the calendar year 1993. If the new premiums for fee-for-service family coverage calculated is more than \$10 a month different from the existing premiums at that time, the newly calculated premiums for all the rates used will be implemented beginning May 1, 1994.

4. If the reserve in the dedicated insurance fund exceeds an amount determined by this insurance committee, then the excess will be used to reduce the total projected claims cost for the following year. If the reserve in this dedicated fund falls below the level established by the committee, then the premium rate calculation for the following year shall add the amount of the shortfall to projected claims cost so that the shortfall shall be restored to the fund during that year.

By _____
Personnel Director

By _____
Mayor

Approved as to form:

Attest _____
City Clerk

By _____
Deputy City Attorney

LOCAL 66, City and County Public Service
Union Local 66 of the AFSCME, represented
by Minnesota Arrowhead District Council 96

By _____
President, Local 66

By _____
Director, Council 96

By _____
Business Representative

Supplemental Agreement

Parties to this agreement are City of Duluth (Employer) and AFSCME Council 96, Local 66 (Union).

The parties acknowledge the following:

- A. Each is bound by a collective bargaining agreement, dated 18 October 1995, to the extent provided for by law and the continuation clause of that agreement;
- B. During the term of that agreement the Bureau of Mediation Services ruled that several positions that had been in another bargaining unit are transferred into Union's bargaining unit;
- C. Each party wishes to provide for just terms and conditions of employment for the people in those positions.

Therefore, in consideration of their mutual promises, the parties agree as follows:

1. This agreement is supplemental to the collective bargaining agreement mentioned above, which continues as stated above. Should the terms of this agreement conflict with those of the other, the terms of this agreement shall prevail. This agreement pertains to the employees and positions that were ordered into the basic unit by the BMS in February of 1997 and includes the following individuals: Jan Anderson, Personnel Technician II; Kirk Glass, Personnel Analyst; Cliff Tanner, Personnel Analyst; Jan Mattson, Administrative Secretarial Specialist; LoAnn Wuestneck, Administrative Secretarial Specialist; Wanda Andrew, Employee Benefits Administrator; Allison Churchill, Senior Secretarial Specialist.
2. Each employee will retain his/her current level of pay, which will be subject to pay changes through collective bargaining the same as if the rate were contained in the appendix to the contract, as are all the other pay rates. If the employee ceases to be employed in the job class held on 3/1/97 but continues his/her employment with the City within this unit, then the employee's rate of pay will become that otherwise provided for in the contract for his or her new classification.
3. If an employee in the classification of Personnel Analyst or Personnel Technician II successfully completes the requirements for Society of Human Resource Management (SHRM) level one (or higher) certification, including any testing required by SHRM, then the employee shall receive a 3% pay increase. The increase shall be implemented at the beginning of the pay period that commences next after the employer receives evidence of the employee's valid certification. The employer shall reimburse the employee for reasonable and necessary expenses actually paid by the employee in obtaining the certification, not to exceed \$300.
4. An employee who is currently eligible for dental coverage at the \$1500 annual coverage limit, or family coverage, may, at his or her option and expense, retain that coverage limit until such time as he/she withdraws from coverage. Following withdrawal, that employee's eligibility for dental coverage and level of coverage would be regulated by the collective bargaining agreement.
5. Employees referred to in #1 shall receive the basic unit family health care coverage cap amount and the basic unit deferred comp/cap feature, effective 3/1/97.
6. Pay rates for the following job classifications (not the incumbents referred to in 1 above) shall be as follows:

Administrative Secretarial Specialist	Range 127
Senior Secretarial Specialist	Range 125
Employee Benefits Administrator	Range 136
Personnel Analyst	Range 131
Personnel Technician II	Range 136

These rates shall have the same effect as if they appeared in the appendix to the collective bargaining agreement.

7. Any employee described in #1 who retires on or before December 31, 1998, is eligible for the retiree Life Insurance coverage that would have been available to him/her pursuant to the confidential unit contract that is in force on the date of his/her retirement.
8. The Employer agrees to allow employees to use accumulated vacation time that exceeds the current AFSCME contract limits for vacation carry-over prior to June 1, 1998.
9. Beginning at the time of City Council approval of this supplemental agreement, wage rate or pay rate calculations shall be made as set out in the basic unit collective bargaining agreement, using the definitions in that agreement. Terms and conditions not mentioned in this agreement are as set out in the collective bargaining agreement.

Dated: _____

City of Duluth
By

AFSCME Council 96, Local 66
By

Mayor

Attest: _____
City Clerk

Approved:

Deputy City Attorney

MEMORANDUM OF UNDERSTANDING

The parties to this Memorandum of Understanding are the City of Duluth (Employer) and Local 66 of A.F.S.C.M.E., represented by A.F.S.C.M.E. Minnesota Council 5 (Union). The parties acknowledge the following:

A. This Memorandum of Understanding applies to the collective bargaining agreement for 2007, 2008, and 2009, which will be binding upon the parties upon Union ratification and City Council approval by resolution duly passed, to the extent provided for by law.

B. The Employer is in the process of studying the feasibility and requirements of implementing a Medication Therapy Management (MTM) program and drug reimportation.

C. These programs may affect the current drug co-pay formulary structure. Setting forth the parties understanding is fair and appropriate.

In consideration of their mutual promises, the parties agree as follows:

1. Co-pays for diabetic related supplies will be waived until a MTM program is made available. Plan enrollees with diabetes will be eligible to participate in the MTM program once available.
2. Upon implementation of a Prescription Drug Importation program, it is agreed that the co-pay shall be \$0 for those prescription drugs that are approved. Approved prescription drugs shall mean those prescription drugs whose total individual costs including the drug, shipping costs, and waiver of applicable co-pay is less costly to the Employer than the same current drug through the current Pharmacy Benefit Manager.

Dated: _____

CITY OF DULUTH

LOCAL 66 of A.F.S.C.M.E., represented
by A.F.S.C.M.E. Minnesota Council 5

By _____

By _____