AGREEMENT

between the

CITY OF DULUTH

and

DULUTH POLICE UNION, LOCAL 807

2010

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THIS AGREEMENT, dated the _____ day of _____, 2010, is entered into by and between the CITY OF DULUTH, hereinafter called the "Employer", and the DULUTH POLICE UNION, LOCAL 807, 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 conditions of employment, and

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 police protection to the citizens of Duluth. Both parties recognize this Agreement as a pledge of this dedication.

The parties agree with and encourage the City's efforts to hire new employees on the basis of qualifications, and without regard to minority, gender, or disability status. The parties support the City's efforts to recruit, hire, and promote protected class members.

ARTICLE 2 - DEFINITIONS

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

2.2. Afternoon shift means a shift starting between 1:30 p.m. and 5:00 p.m.

2.3. Annual Pay means the employee's basic monthly pay added to his or her longevity award as provided for in Article 14 of this Agreement, his or her 24-hour duty allowance as provided for in Article 15 of this Agreement, his or her roll call pay as provided for in Article 46 of this Agreement, his or her first responder pay as provided in Article 16 of this Agreement, and his or her educational credit allowance as provided for in Article 17 of this Agreement, multiplied by 12.

2.4. Appointing Authority means the Chief Administrative Officer, Chief or acting Chief.

2.5. Basic Hourly Rate for all purposes shall mean the rate determined by dividing the employee's annual pay by 2080. The basic hourly rate shall be calculated to the nearest $.0001. Effective January 1, 1990, the basic hourly rate for this calculation shall include the employee's shift differential and longevity award.

2.6. Basic Monthly Pay means the employee's monthly salary provided for in Appendix I of this Agreement.

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

2.8. Chief means the Chief of the Duluth Police Department or the Deputy Chiefs when they are so designated in writing by the Chief.

2.9. 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 paid leave of absence, sick leave, vacation or military leave of absence, absence due to injury or illness that was compensable under Minnesota Workers' Compensation act or, for a period not to exceed two years, while on Long Term Disability.

2.10. Emergency means situations so defined by the Chief or an authorized person acting in his absence.

2.11. Employee means a member of the formally recognized bargaining unit represented by the Union.

2.12. Grievance means a dispute or disagreement as to the interpretation or application of the terms of this Agreement.

2.13. Grievance Committee means not more than three (3) members of the Union designated by the Union to process grievances.

2.14. Night shift means a shift starting between 5:00 p.m. and 5:30 a.m.

2.15. Power shift means a shift starting between 1:30 p.m. and 5:00 p.m. and extending to at least 2:00 a.m.

2.16. Secretary means the Secretary of the Civil Service Board as defined by Chapter 13 of the Duluth City Code.

2.17. Police Department means the Duluth Police Department.

2.18. Shift means a stipulated eight, ten, or twelve hour work period.

2.19. Unit Leader means an officer as designated by promotion or appointment by the Chief.

2.20. Work Group means a work group as set forth on the Duluth Police Department Table of Organization.

ARTICLE 3 - RECOGNITION

3.1. The Employer recognizes the Union as the exclusive bargaining representative of all personnel working in the job classifications listed in Appendix I of this Agreement and defined as public employees in Minnesota Statutes, Section 179A.03.

ARTICLE 4 - DUES CHECKOFF

4.1. The Employer shall deduct each payroll period an amount sufficient to provide the payment of regular dues established by the Union from the wages of all employees authorizing such deduction, in writing, and remit such deductions to the appropriate officer designated by the Union. The Union agrees to reimburse the Employer for any actual financial loss suffered by the Employer because of the wrongful deduction of Union dues.

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 Police Department and to meet its obligations under federal, state and local law, such rights to include, but not be limited to, the right to direct the working forces; to plan, direct and control all the operations of the Police Department; to determine the methods, means, organization and number of personnel by which such operation and services are to be conducted; to assign and transfer employees; to schedule working hours and to assign overtime; to make and enforce reasonable rules and regulations; and 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, the State of Minnesota, and the charter, ordinances and resolutions 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 provisions shall be voided. All other provisions shall continue in full force and effect. The voided provision shall be renegotiated at the request of either party.

ARTICLE 7 - HOURS OF WORK

7.1. The normal work day in the Police Department is eight (8), ten (10) or twelve (12) consecutive hours, plus a fifteen (15) minute preparation period as described in Article 45.

7.2. The normal work week in the Police Department is an averaged forty (40) hours, plus fifteen (15) minute preparation periods prior to each shift worked as described in Article 45.

7.3. The employer has implemented ten and twelve hour shifts. The parties intend that the implementation of these shifts shall not result in any net increase or decrease in cost of benefits. The employer intends to schedule ten and twelve hour shifts. In order to accommodate this schedule, the parties agree that the following contract provisions will be waived to the extent necessary to allow the ten and twelve hour shift schedule to be implemented and not for any other purpose.

1.	Article 2.5	Definition of Basic Hourly Rate. This calculation will be adjusted so basic pay received remains the same.
2.	Article 2.17	Definition of "shift."
3.	Article 7	Hours of Work.
4.	Article 13	Holidays and Personal Leave. The term "day" or "days" shall mean eight hours.
5.	Article 20.1 (d)	Retiree Insurance. The term "day" or "days" shall mean the period of time worked on a day.
6.	Article 25.1	Pay Periods. Calculation shall be adjusted so monthly pay remains the same.
7.	Article 26	Vacation. The references to days will be ignored, and the calculations of hours will be followed.

7.4. If the Employer determines to change an employee's regular schedule, and the change is not voluntary on the part of the employee, nor in response to an emergency, then the Employer shall give to the employee five scheduled working days notice of the change before the change is implemented. The day of receipt of the notice is not counted, and the change shall not be implemented until after the end of the fifth working day.

7.5. This Memorandum of Agreement shall continue until December 31, 1988. After that date, either party may terminate this agreement by notifying the other party that the agreement has ended, giving fifteen day written notice. Management will meet and confer with the union concerning this agreement upon request, or before giving notice of termination of the agreement.

ARTICLE 8 - SALARY PROGRESSION

8.1. The monthly salaries shall be as indicated on Appendix I.

8.2. An employee assigned to work in a job classification different from his or her own, shall, while assigned to work in such different classification, be compensated at the pay range provided for such different classification at the same step within such pay range as such employee is at within his or her own classification at the time such assignment is made.

8.3. An employee appointed to a permanent position in the classified service from a civil service employment list (open examination) shall be placed in Step A of the appropriate pay range except when otherwise recommended and justified by the Chief with the approval of the Chief Administrative Officer.

8.4. 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 Chief with the approval of the Chief Administrative Officer.

8.5. Except as provided herein, employees shall remain at the assigned step as specified above until the beginning of the next pay period following completion of six (6) months in a permanent position, at which time he or she shall advance one (1) step in the pay range. The employee shall thereafter advance one (1) step in the pay range for each additional twelve (12) months of service.

8.6. New Hires. Newly hired entry level employees shall be paid at the rate of pay of Range 326, Step A that is shown in the appendix to this agreement. After being paid at this rate for twelve (12) months, the pay shall be increased to the rate of pay set forth at Range 326, Step C in the appendix to this agreement. The employee shall be paid at the rate set in the preceding sentence for a period of twelve (12) months. After the completion of the twelve (12) month period, the employee's rate of pay shall be that of Range 326, Step E, as shown in the appendix, and shall continue as provided for in this agreement.

8.7 Canine Costs. The City shall be responsible for any and all necessary costs of maintaining canines furnished by the Employer to be used by the officer for law enforcement work, such as food, kennels, and veterinarian expenses. Employee shall retain records, receipts and billings to be submitted to City Auditor for payment and/or reimbursement.

8.8 Police Training Officer. Effective January 1, 2007, police training officers incentive pay shall be $2.50 per hour during any work shift they are recorded as a police training officer in writing by the Chief or his designee.

8.9. Trainer Pay. An employee who is assigned, by written order of the Chief, to be a department trainer in the subjects of P.P.C.T., driver's training, certified K-9 handler instruction, firearms proficiency, and other areas determined by the Chief, shall receive, during any work shift in which the employee does planned and approved training work, an additional one dollar ($1.00) per hour in rate of pay.

Trainers shall be recommended by the training coordinator and assigned by the Chief. Selection shall be based upon experience, work performance, ability to instruct, knowledge, interest in the subject matter, and other relevant criteria. A trainer shall prepare lesson plans, adjust work

hours to facilitate training, and provide instruction of a quality that satisfies the training coordinator, police training committee, and the Chief.

8.10. Investigator Pay. Except for assignments made as part of the Patrol Enrichment Program, an employee in the classification of Police Officer who is assigned, by written order of the Chief, to perform peace officer duties as a K-9 handler, in the Traffic Bureau, Family Crimes Unit, Special Investigations Unit, Crime Scene Investigation, Auto Theft-Burglary-Arson Unit, Juvenile Bureau, License office, Training and Development Unit, Record Bureau, Detective Bureau, D.A.R.E., Crimestoppers, Violent Crimes Unit, Gang Strike Force, Financial Crimes Unit, community relations, street crimes, school liason or school patrol shall, during the time he or she is performing the tasks of the assignment, be paid at a rate of pay which is the midpoint between the rate of pay range 326E and the rate of pay range 328E, together with any additions to pay provided for in this contract, which additions shall be calculated by using the new rate provided for in this Article 8.10.

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

ARTICLE 9 - OVERTIME

9.1. Except as provided in Article 10 of this Agreement, hours worked by an employee in excess of a normal work day within a twenty-four (24) hour period shall be compensated at one and one-half (1½) times the employee's basic hourly rate of pay, unless such excess hours worked result from a regular change of shift. Except as provided in Article 10 of this Agreement, hours worked by an employee in excess of a normal work week shall be compensated at one and one-half (1½) times the employee's basic hourly rate of pay, unless such excess hours worked result from a regular change of shift.

9.2. The working of overtime covered by this article shall be voluntary and no action shall be taken against any employee who declines to work such overtime except that in an emergency an employee may be ordered to work by the Chief or other person authorized to act on his behalf.

9.3. Insofar as practicable, without reducing efficiency of work performance, opportunities to work overtime shall be distributed as equally as practicable among employees, provided the employees are qualified to perform the specific overtime work required.

9.4. A record of all overtime worked shall be maintained and posted by the Police Department.

9.5. The Chief may grant compensatory time off in lieu of pay for such overtime worked upon the request of an employee made in advance of overtime worked. The Chief should develop specific timetables for scheduling the compensatory time off within a reasonably short period of time

so as to avoid any substantial buildup of compensatory time off. Compensatory time off shall not be granted at a time when it shall result in another employee working overtime. Compensatory time off for overtime worked shall be computed at one and one-half (1½) times the overtime worked. 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 the employee's basic hourly rate as of the last day of that year, but an employee may carry over into the next calendar year up to forty (40) hours of such accumulated compensatory time off if the employee applies for such carry-over prior to December 1; however, any such carry-over which is not used before the next April shall be paid to the employee based on the employee's basic hourly rate as of the last day of the year from which such time was carried over.

In addition to compensatory time as set out in this Article, an employee may qualify for excess straight time pursuant to Article 10.

9.6. Overtime is to be computed to the nearest fifteen (15) minutes. Not withstanding the overtime provisions of this article, employees working overtime on a holiday shall be compensated for that overtime worked as per the provisions of Article 13.

ARTICLE 10 - COURT TIME - CALL BACK TIME - JURY DUTY

10.1. Employees who are required by the Employer to appear in court or who, because of an emergency, are ordered to work during non-scheduled work time, shall be compensated for a minimum of four (4) hours pay at one and one-half (1½) times the employee's basic hourly rate except that the four (4) hour minimum pay requirement shall not apply in instances where such court time or call back time continues into or extends from a normally scheduled shift. Call back time shall include employer ordered medical appointments, administrative meetings or other activity at a police work site that the employer orders the employee to attend.

10.2. Additional non-scheduled work or court time beyond the four (4) hours is to be compensated for at one and one-half (1½) times the employee's basic hourly rate, such time to be computed to the nearest fifteen (15) minutes.

10.3. In the event more than one court appearance or non-scheduled work assignment or combination of the two is carried out by an employee within a twenty-four (24) hour period, such employee shall not be compensated for more time than the lapsed time between the beginning of the first assignment and the end of the last assignment, except that when such lapsed time is less than four (4) hours, such employee shall receive four (4) hours pay, at one and one-half (1½) times the employee's basic hourly rate.

10.4. The employer shall attempt to schedule employees for court appearances during the employees' normally scheduled work periods.

10.5. When an employee is called to serve on a petite or grand jury panel during, or within eight hours of, any shift that the employee has been scheduled to be at work, the employee shall be

assigned, as a special duty work assignment, to report for jury duty to the designated place. Any amount of money the employee receives as compensation for jury duty while on special duty shall be given to the City Treasurer to be deposited in the City General Fund.

10.6. The employer has the right to schedule meetings, training, or similar activities which are mutually beneficial to the employer and employee. If an employee voluntarily attends such an event, and the time spent in attendance results in the employee's hours at employment exceeding the regularly scheduled hours of work in a shift rotation period, as set out in Article 9, then the employee shall be credited with regular, straight time compensation for the combined hours that result from the regularly scheduled shift rotation and the voluntary event attendance. Voluntary attendance at such events will result in a minimum four hour straight-time compensation, per event attended; however, when the event continues into or extends from the employee's normally scheduled shift, the employee will receive straight-time compensation for the actual time in attendance.

The Chief shall grant time off for excess straight time an employee has been allowed to work when it appears that said straight time will exceed the employee's required annual straight time. Any excess straight time off shall not be granted at a time when it will result in overtime in the work unit. However, an employee may carry over into the next calendar year up to 40 hours of accumulated excess straight time off if the employee applies for such carry over by December 1. Any amount of accumulated excess straight time which is not used before the beginning of the day shift of April 1st shall be forfeited.

ARTICLE 11 - SHIFT DIFFERENTIAL

11.1. Employees working the night shift shall, in addition to regular pay and allowances, receive a shift differential of $.90 per hour.

11.2. Employees working the afternoon shift shall, in addition to regular pay and allowances, receive a pay differential of $.25 per hour.

11.3. Employees working the power shift shall, in addition to regular pay and allowances, receive a pay differential of $.25 per hour for hours worked between 1:30 p.m. and 5:00 p.m. and shall, in addition to regular pay and allowances, receive a pay differential of $.90 per hour for hours worked between 5:00 p.m. and 5:30 a.m.

ARTICLE 12 - UNIFORM-CLOTHING ALLOWANCE

12.1. The pay provided for in the appendix, and in this agreement, includes an amount to compensate the employees for the expense of maintaining uniforms and suitable clothing required by the employer, for both uniformed personnel and those people assigned by the chief to duty as plainclothes officers. When requested by an employee who is transferred or promoted to a uniform duty position, after a minimum three-year assignment in plainclothes, the employer shall provide the following uniform items: 2 winter trousers, 2 summer trousers, 2 winter shirts, 2 summer shirts; or the monetary equivalent of the cost of these items may be applied toward the purchase of other

uniform items. Requests for uniform items in excess of those provided for in this provision will be decided by the Clothing Committee, as described in Article 12.4. The provisions of this paragraph shall not apply to short-term or day-to-day uniform duty assignments. Requests for uniform items in excess of those provided for in this provision (including requests to reissue original uniform items that are worn-out) will be decided by the Clothing Committee, as described in Article 12.4.

12.2. Uniform clothing worn by uniformed personnel shall be kept neat, clean, pressed; and shall not be worn if threadbare, stained, or otherwise determined unserviceable by an employee's supervisor.

12.3. Clothing items of all employees damaged in the line of duty shall be replaced by the City in the amount of the value of any such item which is lost or damaged beyond repair and in the amount of the cost of repair of any other damaged item if such loss or damage is reported as required herein; provided, however, that whenever the City reimburses an employee pursuant to this article, such employee shall be deemed to have subrogated to the City his or her right of recovery against other parties for such loss or damage, and such employee shall cooperate fully with the City in any attempt it may make to recover the amount of such loss or damage from such other parties. Any incident resulting in damage to uniform clothing shall be reported in writing in the incident report to the supervisor during the work shift unless good cause is shown why the officer could not make such a report. The employer will not compensate for any damages not reported in this manner. Uniform items required by the chief which are new, additional items and not replacement items shall be initially furnished by the employer, and thereafter shall be maintained as regular uniform items.

12.4. The clothing committee shall consist of the Uniform Division Deputy Chief, two union-appointed representatives, police secretary, and a police officer agreed upon by both the employer and the union. The clothing committee will have the following functions: a) to decide whether to honor an employee's request to replace damaged clothing items; b) to decide whether to honor an employee's request for the reissuance of uniform items pursuant to Article 12.1; and c) to recommend to the Chief of Police changes in the design and specifications of uniforms or regulations concerning uniforms. The Chief of Police reserves the right to determine uniform design and specifications and to establish regulations concerning uniforms.

12.5. Effective January 1, 1996, when an employee elects to purchase soft body armor under the provisions of M.S.A. 299A.38, the employer agrees to pay the employee's share of the cost, not to exceed the amount in said statute.

ARTICLE 13 - HOLIDAYS - PERSONAL LEAVE

13.1. Employees shall receive days off with pay in lieu of time off for the following holidays:

a. New Year's Day, which shall be the first day of January, regardless of the date of the legal holiday;

b. Martin Luther King Birthday which is the date of the legal holiday;

c. Presidents' Day which is the date of the legal holiday;

d. Memorial Day which is the date of the legal holiday;

e. Independence Day, which shall be the fourth day of July, regardless of the date of the legal holiday;

f. Labor Day which is the date of the legal holiday;

g. Veterans' Day which is the date of the legal holiday;

h. Thanksgiving Day which is the date of the legal holiday;

i. Day after Thanksgiving which is the date of the legal holiday;

j. Christmas Day, which shall be the twenty-fifth day of December, regardless of the date of the legal holiday; and

k. the date of one floating holiday.

Employees shall also receive, in addition to the holidays listed above, four days of time off with pay as personal leave days (see Article 13.2). An employee required to work a shift which commences on one of the above listed holidays of New Year's Day, the Independence Day, Labor Day, Thanksgiving Day or Christmas Day shall be compensated at two times the basic hourly rate, for time worked on the shift. An employee who works a shift that commences after 1:30 p.m. on December 24 shall receive two times the employee's basic hourly rate of pay, for time worked on the shift. An employee required to work a shift which commences on any other holiday listed above in this Article, or, if not named in the above list, as defined in Minnesota Statutes Annotated, Section 645.44, Subd. 5, except the floating holiday, shall be compensated for time worked at 1.5 times the employee's basic hourly rate. Overtime worked on a holiday shall be compensated for as follows:

Overtime worked on a holiday for which the employee is paid double time shall be compensated for at three times the employee's basic hourly rate. Overtime worked on a holiday for which the employee is paid time plus one half, shall be compensated for at 2.25 times the employee's basic hourly rate.

13.2. Employees shall earn personal leave days at a rate of 32 hours of personal leave per calendar year. Only employees who have successfully completed their initial probationary period may utilize any personal leave days. Personal leave days not used by an employee before December 31 will be converted into cash and deposited into the employee's post employment health care savings plan account (as administered by the Minnesota State Retirement System) by February of the following year, unless earned during the initial probation period. Only personal leave days earned during the initial probation period may be carried over for use in the next year.

ARTICLE 14 - LONGEVITY AWARD

14.1. In addition to the monthly pay prescribed herein, any employee who has been continuously employed by the City as a sworn law enforcement officer 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 as a sworn law enforcement officer 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; provided, however, that any person employed by the City as a sworn law enforcement officer on April 1, 1978 shall receive a monthly longevity award equal to eight percent of his or her basic monthly pay from and after the beginning of the next pay period after having been continuously employed by the City for a number of qualified pay periods, the total of which is not less than sixteen years. Such longevity award shall be computed to the nearest dollar per month.

14.2. 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.

ARTICLE 15 - 24-HOUR DUTY ALLOWANCE

15.1. In addition to the monthly pay as prescribed in this Agreement, each employee shall be paid an additional amount of money each month as a 24-hour duty allowance, said allowance to compensate, in part, for the unique nature of off-duty police availability. Such additional amount of money shall be equal to four percent (4%) of the employee's basic monthly pay computed to the nearest dollar.

ARTICLE 16 - FIRST RESPONDER FIRST AID TRAINING ALLOWANCE

16.1. In addition to the monthly pay prescribed in this Agreement, each employee shall be paid one and one-half percent (1.5%) of the employee's monthly pay for training and proficiency in performing as a first responder, in every type of emergency or trouble, including weapon calls and exposure to disease, and first aid training, and shall continue to receive this pay as long as the employee participates as instructed in employer offered in-service first aid training. The amount shall be computed to the nearest dollar.

ARTICLE 17 - EDUCATIONAL CREDIT ALLOWANCE

17.1. In addition to the monthly pay otherwise prescribed by this Agreement, employees having successfully completed probation shall receive, commencing in the first pay period following completion of probation, one dollar ($1.00) per month per credit for eligible courses successfully completed from a curriculum established by the University of Minnesota, Duluth, leading to an Associate of Arts degree in sociology-criminology, which curriculum presently requires a total of 48 liberal education, 31 major and 11 elective credits; employees shall be allowed to accumulate only such amounts and kinds of credits for the purposes of this article. Employees shall receive an additional five dollars ($5.00) per month when they receive the Associate of Arts degree.

17.2. Employees presently receiving fifty dollars ($50.00) per month for having the Police Administration Certificate shall continue to receive such amount, and they shall receive an additional

one dollar ($1.00) per month for each credit obtained for completing eligible courses from the Associate of Arts curriculum described above, but duplication of credit courses is not allowable.

17.3. In connection with the administration of the credits for employees under the above described program, the Chief Administrative Officer or his designee shall establish rules and regulations in connection with said program; and it shall be his responsibility to verify the eligibility of the courses taken by any employee under said program, and the determination of satisfactory completion by any employee of the requirements of the program.

17.4. A listing of the liberal education credits approved jointly by the Chief Administrative Officer and the Union shall be on file in the Department of Administration and in the Chief's office.

17.5. No employee shall receive more than ninety-five dollars ($95.00) per month pursuant to this article.

ARTICLE 18 - EDUCATIONAL INCENTIVE COMMITTEE

18.1. An Education Committee consisting of the Investigative Deputy Chief, and his/her designee, and two members of the union shall be established for the purpose of carrying out the following functions during the period of this agreement:

To work with the local universities in setting up the requirements needed for the educational credit allowance as specified in Article 17, to review our educational courses and in-service training, and recommend to the Administration and the Training and Development Unit of the Police Department necessary and available training.

ARTICLE 19 - HOSPITAL-MEDICAL INSURANCE

19.1. Effective the first of the month following the special two week open enrollment period in Article 19.1.b., the Employer will make available to employees comprehensive medical benefit Plan 3A only.

a. The Employer agrees to pay for the employees without claimed dependents 100% of the monthly premium for single employee hospital-medical benefit plan 3A.

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 qualifying and approved deferred compensation plan, as designated by the employee, for each employee without claimed dependents. Thereafter, the employee may change this designation during the annual open enrollment period for insurance selection, or at the time of a 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 employee's flexible benefits spending account.

d. Effective the first of the month following the special two week open enrollment period in Article 19.1.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.

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

19.3. 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.

19.4. 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.

19.5. If a plan participant discovers a mistake in a hospital-medical billing, and this discovery results in a money saving to the plan, the participant shall receive from the employer one-half the amount of the saving.

19.6. The dependents of a deceased-active employee shall 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.

19.7. 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.

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

19.9. If the employer contracts with a claims administrator or purchases a fully-insured plan from a provider other than Blue Cross Blue Shield of Minnesota, the allowed amount for any covered service provided by out-of-network providers shall be the usual customary reasonable (UCR) fee as calculated by PHCS or its successor.

19.10. 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.

19.11. 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 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.

19.12. The Employer will reimburse to the employees a maximum of $30.00 each month, of the actual cost for the use of facilities involved in the employee's participation in an approved physical fitness training program. The employee shall be responsible for furnishing, upon demand, proof of actual costs incurred and training activities engaged in. The employee shall apply for any corporate or other discount(s) available from the health or fitness program in which membership is held.

ARTICLE 20 - HOSPITAL-MEDICAL INSURANCE-RETIRED EMPLOYEES

20.1. Any employee who was hired on or before December 31, 2006 and who retires from employment with the City, and is receiving, or has applied for and will, within sixty (60) days of retirement, receive retirement pension benefits from the Public Employees Retirement Association, or who retires and is vested to receive a retirement pension from the Police and Fire Fund of PERA, or who is currently receiving a disability pension from one of the aforementioned organizations, 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. The City will provide any such eligible retired employee with or without claimed dependents the hospital-medical benefit provided active employees, without any premium cost to the retiree after having been employed by the City for twenty (20) years.

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 B must obtain it, or lose any benefits hereunder until he or she obtains Medicare Coverage B.

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

d. If any such covered retiree or spouse becomes the beneficiary of any hospital-medical coverage provided by another employer in connection with such retiree's or spouse's employment by or retirement from employment by another employer, the City's obligation to provide the coverage indicated alone shall be only to the extent that the City's coverage exceeds such other coverage.

20.2. 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.

20.3. Any employee hired on or before December 31, 2006, who retires from employment with the City and who meets the qualifications of Article 20.1 shall receive hospital-medical benefit plan coverage under Plan 3A to the same extent as active employees paid for by the Employer and the eligible retired employee, with or without dependents, in accordance with the following schedule:

YEARS OF SERVICE COMPLETED	PERCENT SHARE OF PREMIUM CONTRIBUTIONS	
	EMPLOYEE	EMPLOYER
5	75	25
6	70	30
7	65	35
8	60	40
9	55	45
10	50	50
11	45	55
12	40	60
13	35	65
14	30	70
15	25	75
16	20	80
17	15	85
18	10	90
19	5	95
20 and thereafter	0	100

20.4. a. For those employees hired on or before December 31, 2006, who retire from City employment and who meet the qualification requirements stated under Article 20.1, the City may provide a 65 or older health insurance program in accordance with Article 20.1.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 20.3. For those employees hired on or after January 1, 2007, who retire from City employment and who meet the qualification requirements stated under Article 20.4.b., participation in the 65 or older health insurance program will be in accordance with Article 20.1.b. and applicable federal or state laws, and entirely at the expense of the employee with or without dependents with absolutely no contribution from the City.

b. Any employee hired on or after January 1, 2007, who retires from City employment, and who otherwise meets the qualification requirements stated in Article 20.1, may elect to enroll in the City's hospital medical plan in accordance with 20.1.b., c., and d. only except that the cost of the premium will be entirely paid for by the employee with or without dependents with absolutely no contribution by the City.

c. After thirty-six months of continuous employment from the date of hire, for any permanent full time employee hired on or after January 1, 2007, the Employer shall make a one time deposit of twelve thousand dollars ($12,000) into a post employment health care savings plan account, known as the Minnesota Health Care Savings Plan, administered by the Minnesota State Retirement System, which shall be established by the Employer in the name of the employee. An employee is eligible for this retiree health care savings plan payment only once in his/her lifetime under this Article. Deposited funds and accumulated interest shall be available to the employee as required by law.

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

ARTICLE 21 - HOSPITAL - MEDICAL INSURANCE - DISABLED EMPLOYEES

21.1. 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 fore going 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 to former employees of the Employer.

ARTICLE 22 - DENTAL INSURANCE

22.1. The Employer agrees to make the same dental care coverage available to all eligible employees as it currently makes available for employees of the Basic and Supervisory collective bargaining units of the City, but the Employer agrees to pay only the entire cost for single coverage under the low option for each eligible employee. An employee becomes eligible for this coverage on the first of month following date of hire. The Employer and the Union agree that any change in such coverage shall only be done through negotiations. 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 at least two consecutive years. The employee may cancel family dental coverage any time after the two 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 year period. An employee will only be allowed to elect family dental coverage at the

time of hire, when he or she becomes eligible for single dental, or at the time of an open enrollment period for health care plans.

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 - DEFERRED COMPENSATION

23.1. The employer shall allow an employee to participate in any deferred compensation plan of the employee's choice which meets the following criteria:

a. It has been approved by the deferred compensation commission.

b. It qualifies under the laws and regulations of the United States, State of Minnesota, Internal Revenue Service.

c. The employer can accomplish any record keeping, data processing, accounting, or administration of the plan by making a reasonable effort.

The employer shall not do any act to change, alter, amend, or terminate any employee's deferred compensation plan without first giving at least sixty (60) days' written notice of its intention, and completing the processing of any grievance brought concerning the proposed action, unless law, ruling or order of the Internal Revenue Service requires it.

For each employee who has been continuously employed by the Employer for sufficient time as to be eligible for the Employer's medical benefit plan, the Employer shall contribute two hundred twenty-nine dollars ($229) each month for either contribution to a qualifying and approved deferred compensation plan, and/or for contribution to family-dependant hospital medical premium, whichever is designated by the employee during the open window for insurance selection, or at the time of a life event.

ARTICLE 24 - TERMINATION PAY

24.1. 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, plus the value of accumulated vacation time, and unused compensatory time off earned, such value to be calculated based on his or her basic hourly rate at the time of his or her termination.

24.2. Any employee who was an employee on August 1, 1980, and who leaves City employment after that date upon completion of more than 25 years of service with the City as a sworn law enforcement officer, shall also be entitled to a severance allowance. Such allowance shall include an amount equal to the pension contributions made by such employee to the Duluth Police Pension Association, but only for those contributions made for service on or after August 1, 1980, and only for those contributions which are based upon the employee's service in excess of 25 years. Such allowance shall also include interest, which shall be calculated from the times that the above said contributions occur, and shall be compounded quarterly; the rate of interest for any quarter shall be the rate which the City uses for that quarter to allocate its earnings on its investments to its

various funds. An employee's death shall not extinguish the City's obligation to pay the severance allowance prescribed for such employee by this paragraph.

ARTICLE 25 - WORKER'S COMPENSATION

25.1. 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 so that the employee's net income rate after income taxes and F.I.C.A. are deducted is equal to his or her net income rate after income taxes and F.I.C.A. are deducted at the time of the injury, subject to the following:

25.2. The income rate's referred to above shall be calculated based upon the claimed dependents and deferred compensation existing at the time of injury, and shall not be affected by subsequent changes.

25.3. 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, vacation time and compensatory time benefits have been exhausted, he or she shall no longer receive any salary from the Employer while absent from work.

ARTICLE 26 - PAY PERIODS

26.1. All employees shall be paid every two (2) weeks, and payment for each two (2) week period shall be made not later than the Friday next following such two (2) week period. If any such Friday occurs on a holiday, checks shall be distributed on the working day next prior to such holiday. The amount of pay for each such two (2) week period shall be determined by multiplying the employee's basic hourly rate by 80.

The employer shall notify employees and the union before February 1 of each year of the dates of deduction-free pay periods in the year.

ARTICLE 27 - VACATION

27.1. Any employee who has been continuously employed by the City shall be credited with vacation according to the following schedule:

Years of Continuous Service (Inclusive)	Hours/ Pay Period	Vacation Hrs/Year	Maximum Year End Carry-over Into Next Year
0-4	3.69	96	336 hrs
5-8	5.85	152	336 hrs
9-12	7.08	184	336 hrs
13-16	7.69	200	336 hrs
17- and over	8.62	224	336 hrs

However, an employee who has completed 25 years of service shall be allowed to carry over into the next year 500 hours of accumulated vacation, and an employee who was hired

before December 31, 1993, and has completed 25 years of continuous employment with the City shall be allowed to carry over into the next year 850 hours of accumulated vacation.

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

27.2. 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 Chief may approve. If an employee has accumulated over 450 hours of vacation time on or before October 1, then the employer may require the employee to take vacation time off, in units of at least one day, from work at reasonable times, which do not disrupt another employee's scheduled vacation, between October 1, and December 31, but not in such amount that the employee's accumulated vacation on December 31 is less than 450 hours or the employee's individual accumulation cap, whichever is greater.

27.3. 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.

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

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

ARTICLE 28 - SICK LEAVE - FUNERAL LEAVE

28.1. a. Any employee who has been continuously employed by the City for not less than six (6) months in the classified or unclassified service shall be granted up to 60 working days of sick leave with full pay (paid sick leave) for each calendar year, except that such minimum requirement of six months shall not be applicable in connection with any illness or injury arising out of and in the course of employment by the City. When an employee is unable to or indisposed to report for duty for any of the reasons specified in Section 3 of this article, he or she shall immediately report such fact to his or her immediate supervisor. To qualify for sick leave, the employee must report off at least thirty (30) minutes prior to his or her starting time, but must immediately report off when leaving his or her duties.

b. A labor-management committee consisting of the Union President, Chief Administrative Officer, and Police Chief, or his designee, may grant (in writing) up to an additional 180 working days of sick leave with full pay, if warranted by the employees documentation of a serious need for such an extension. This committee shall also review and decide any issues regarding years of credit of sick leave (for purposes of retiree health insurance) that are in dispute.

28.2. a. If an employee's use of paid sick leave reasonably appears to the employer to be unjustified and the employer wishes to obtain a medical explanation, the appointing authority shall deliver a written instruction to the employee, requiring that for that absence or any subsequent absence, for a stated period of time, by the employee claimed to be allowable as paid sick leave, the employee must furnish written explanation by a physician such as to justify the absence on paid sick leave; the written request for physician's explanation shall state the employer's basis for suspecting the use of sick leave is unjustified. Failure to furnish such written explanation shall preclude such employee from being allowed such absence as paid sick leave, but such employee may appeal such directive to the Chief Administrative Officer. The employer shall notify the employee in writing its reasons for concluding that the employee's use of sick leave is unjustified. Sick leave approved by the employee's physician may not be denied for discipline.

b. Employer can send an employee to a City-chosen and paid doctor with the employee having the option of refusing two (2) doctors, to check fitness for duty. The employer must state specifically in writing, reasonable grounds for sending the employee to a doctor.

28.3. For purposes of this article, sick leave is defined to mean the absence of an employee because of illness or injury, exposure to a contagious disease, 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.

a. For the purposes of this article, 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.

b. Illness in Family. Upon request, one (1) day of paid sick leave shall be allowed for care or attendance upon a member of the immediate family for critical illness; provided, however, three (3) days of paid sick leave shall be allowed for this purpose if supported by a written statement (explaining why the employee's attendance is necessary) from the attending physician. This use of paid sick leave is for emergencies when advance arrangements cannot be made and is limited to members of the immediate family. In any event an employee shall be granted sick leave to attend to a child as required by MSA 181.9413.

c. Funeral Leave. Upon request, a maximum of five (5) days of paid sick leave shall be granted an employee for a death in the immediate family 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 sick leave shall be granted if the distance to the location of the funeral is less than five hundred (500) miles from Duluth. If the employee's absence exceeds the allowed time, the excess time shall be charged to vacation or compensatory time off. Article 40 of this agreement shall not apply to the taking of vacation for this purpose.

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

d. 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.

e. 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 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.

f. If an employee is entitled to sick leave and also to no-fault or other car insurance loss of pay benefits, the employee shall receive only one payment to reimburse for lost wages. If the employee receives the no-fault or other car insurance payment for lost wages, the employee shall not receive sick leave pay. If the employee receives sick leave pay the employee shall, upon request, assign to the employer his or her right to no-fault or other car insurance lost wage reimbursement. The employee shall not be credited with sick leave use if the employee receives no fault or other car insurance company payments for lost wages or the employer receives such assigned reimbursement.

g. Birth/Adoption Leave. Upon request, three (3) days of paid sick leave shall be allowed in conjunction with the birth or adoption of the employee's child.

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

28.5. Employee Assistance Program. Any approved absence for an employee's participation in the Employee's Assistance Program shall be allowed as paid sick leave if approved in writing by the Employee Benefits Administrator. When the employee's spouse or child is under a Family Involvement Program, and it requires the employee to participate in the program, that time spent by the employee to participate in this program shall be allowed as paid sick leave if approved in writing by the Employee Benefits Administrator. When the employee wishes to participate in a family involvement program with another who is neither a spouse nor child, paid time off as vacation or personal leave shall be allowed if approved by the Employee Benefits Administrator. As in the case with other paid sick leave, the employee must report off sick after securing written permission from the Employee Benefits Administrator and report the purpose for the use of such sick leave, but it will not be necessary for them to go into details. Employees denied sick leave pursuant to this paragraph may appeal such denial to the Chief Administrative Officer.

28.6. Any employee who has been removed from the payroll because he or she is absent with an illness or injury and has no sick leave, vacation, or compensatory time off remaining shall file a statement from a physician with the Chief Administrative Officer at least once every three (3) months which indicates that he or she is unable to perform the duties of his or her position because

of such illness shall be considered to be on leave for a period not to exceed one (1) year and shall be reinstated in his or her position upon filing with the Chief Administrative Officer a statement signed by a physician which indicates that he or she is physically able to perform the duties of his or her position. The physician for such latter statement shall be chosen by the Chief Administrative Officer, and compensated by the Employer.

ARTICLE 29 - ASSIGNMENT OF INJURED OR DISABLED EMPLOYEES TO OTHER POSITIONS

29.1. Whenever an employee suffers an injury or disability which results in the employee's inability in excess of ten (10) working days, to perform all the duties of his or her position, the Employer may, if such employee is capable of performing the work of any other position, or any, including his own, position modified to accommodate medical restrictions, with the then existing work structure of the department, assign or transfer the employee to such other position as the Employer determines would result in the most effective use of the employee. If the injury or disability is not job related, the employee shall receive total monthly compensation equal to the total monthly salary the employee would receive if he or she was regularly appointed to the position the employee is filling, as provided in Appendix I of this Agreement. Assignments and transfers under this article shall expire at such time as the employee is able to perform the regular duties of the position held before injury or disability. If such assignment is refused by the employee, and justification for the refusal is not provided by the employee's treating physician, paid sick leave will be denied. In case of a dispute as to whether the employee can perform assigned work, after ten (10) working days the City may use its own physician to evaluate the medical condition. The term "job related injury" shall mean an injury suffered by an employee that arises out of and in the course of employment by the employee, and shall not be construed to include an injury suffered by an employee while performing services for private corporations or individuals or for other public agencies. The term "job related disability" shall mean a disability arising out of and in the course of employment with Employer.

29.2. If the City is not able to provide the employee such assignment, the employee remains eligible for paid sick leave or other compensation.

ARTICLE 30 - LONG TERM DISABILITY INCOME

30.1. 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.

30.2. 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.

30.3. Payment of benefits pursuant to this article to a disabled employee shall commence when the employee exhausts his or her allowance of sick leave with full pay provided by Article 27.1

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 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.

30.4. 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.

30.5. 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. This definition shall not limit the employee's right to earn $5,000 per year as provided for in paragraph 29.3 of this article.

30.6. a. 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 29.5 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 Section 29.5. Such determination shall occur upon the occurrence of both of the following:

(1) 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.

(2) Approval by the City Disability Board. The City Disability Board shall consist of one (1) State of Minnesota Worker's Compensation Judge, one (1) member of the bargaining unit appointed by the Union, and the Chief Administrative Officer.

ARTICLE 31 - LIFE INSURANCE

31.1. The Employer shall pay the full cost of $50,000 of term life insurance for each eligible employee. All employees shall receive such life insurance coverage on the first day of the calendar month following completion of six (6) months' service as a classified employee.

31.2. Term insurance terminates on the last day of the month in which an employee terminates his or her employment. Employees are responsible to contact the Employee Benefits Administrator at least one (1) month prior to retirement to verify any insurance benefits due after termination.

ARTICLE 32 - LIFE INSURANCE - RETIREES

32.1. The Employer shall pay full cost of term life insurance for any employee who retires from employment with the City on or after January 1, 1983, after having been employed by the City for such total time so as to be qualified by such employment to receive retirement benefits from the Public Employees Retirement Association, the Duluth Firemen's Relief Association, or the Duluth Police Pension Association. The amount of such insurance coverage shall be $25,000.

ARTICLE 33 - LEAVES OF ABSENCE - MATERNITY LEAVE

33.1. 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 Chief desires to secure leave from his or her regular duties, may, on written request approved by the Chief, 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.

33.2. Any employee asking for special leave without pay shall submit his or her request in writing, stating the reasons why in his or her opinion the request should be granted, the date when he or she desires the leave to begin and the probable date of his or her return.

33.3. For each separate case of special leave without pay, the Chief shall, at the time he or she approves the leave, determine whether the employee granted such leave shall be entitled to his or her former position on his or her return from such leave or whether his or her name shall be placed on the re-employment list for the class.

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

33.5. No benefits or seniority shall be accrued by the employee during such leave, however, any employee wishing to be covered under the City's insurance plans may for the first six (6) months of such leave pay both the employee's and the employer's share of the cost of coverage.

33.6. A member of the Union accepting the appointed position of Police Chief or Deputy Police Chief shall be on a leave of absence during the period of such appointment and upon the expiration of such appointment shall be reinstated to the class he held prior to such appointment.

33.7. A member of the Union who is promoted to the position of Police Inspector or Police Lieutenant shall, if such member is laid off or demoted from the position of Police Inspector or Police Lieutenant, return to the classification held immediately prior to the promotion.

33.8. Maternity is defined as the physical state of pregnancy of an employee, commencing eight (8) months before the estimated date of childbirth, as determined by a physician, and ending six (6) months after the date of such birth. In the event of an employee's pregnancy, the employee may apply for leave without pay at any time during the period stated above and the employer may approve such leave at its option, and such leave may be no longer than six (6) months. The employee on approved maternity leave will be allowed to return to work in the job classification held. There will be no discrimination in job assignment against an employee on approved maternity leave because the employee took an approved maternity leave.

ARTICLE 34 - DEMOTIONS

34.1. An employee may request or the Chief may propose the demotion of an employee in writing and shall furnish the employee with a copy of such recommendation stating the cause for such demotion. This 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 required. Also, the recommendation shall advise the employee that he or she may, within five (5) working days, file a written answer to the Board.

34.2. The Board may, upon its own initiative, and shall, upon the request of the employee concerned within ten (10) days hear the employee and determine whether the proposed demotion is justified and for the good of the City service. After such hearing and investigation or upon the expiration of five (5) days, if no communication is received from the employee, the Board shall forthwith approve or disapprove the recommendation of the Chief and so notify the Chief and employee.

ARTICLE 35 - DISCIPLINE AND DISCHARGE

An employee who is removed from his or her position while on probation shall have the right to revert to the last position in which he or she completed a probation period.

35.1. a. Any employee who has completed the probationary period may be suspended without pay, discharged or disciplined only for just cause.

b. Discipline shall be progressive in application and not remedial. Except for cases of serious offense, any suspensions, demotions or removal action shall be preceded by a written warning.

35.2. The Chief or any unit leader acting for him or her, may for disciplinary purposes, suspend without pay any employee under his or her supervision in his or her department for one or more periods aggregating not more than thirty (30) calendar days in a calendar year. He or she shall as soon as practicable give written notice to the employee stating the reason for the suspension, the duration thereof, and advise the employee he or she may within five (5) days from the date on which such notice is received, file an answer with the Board and request an opportunity to be heard in his or her own behalf, or grieve the matter pursuant to the grievance procedure, at the employee's option. He or she shall personally deliver such written notice to the employee or mail it to his or her last known address by certified mail.

35.3. a. Appointing Authority may terminate an employee, thereby removing the employee from the workforce. The employee shall be given written notice of termination which shall state specifically the act or acts constituting cause for removal. The employer shall deliver the notice of termination to the employee personally, or shall send one (1) copy by certified mail to the last known address of the employee, and one copy to the union as set out in Article 34.8. The notice shall advise the employee he or she may within five (5) days from the date on which such notice is received, file an answer with the Board and request an opportunity to be heard in his or her own behalf, or may grieve the action pursuant to the grievance procedure, at the employee's option.

b. An employee may not be terminated from his/her job while on sick leave approved by a City-chosen physician, unless that employee is the least senior in his/her job classification and a reduction in force is necessary.

35.4. Upon receipt of a request for a hearing as provided in paragraphs 2 or 3 of this Article, the Board shall within ten (10) days if practicable and in any case within thirty (30) days give the employee an opportunity to be heard on his or her own behalf.

35.5. As soon as practicable after a hearing is held, or after the expiration of five (5) days from the receipt of suspension charges to the employee, or as soon thereafter as practicable, the Board shall act and may in its discretion:

a. In case of a suspension uphold the suspension or restore pay in whole or in part to the employee;

b. In case of a removal:

(1) Order the restoration of the employee to his or her position without loss of pay or with reduced pay during the period between the filing of the charges and making of the order;

(2) Order the demotion of the employee to a class for which a lower rate of pay is prescribed;

(3) Order the removal of the employee.

35.6. The finding and decision of the Board shall be final and not subject to the grievance procedure.

35.7. An employee or his/her union representative may file in writing, an appeal to the Chief, after three (3) years from the date of any disciplinary action, to have the record of the disciplinary action removed from his/her file. The employee shall have the opportunity to meet with the Chief to present evidence to support his/her appeal. The Chief will issue a written decision within thirty (30) days. The decision of the Chief may be appealed, within ten (10) days, to the Chief Administrative Officer. The employee shall have the opportunity to meet with the Chief Administrative Officer to present evidence to support his/her appeal. The Chief Administrative Officer will respond in writing within thirty (30) days. The Chief Administrative Officer's decision will be final. If the appeal is upheld, the disciplinary action will not be used by the employer in the future for any purpose. A union representative may be present at all meetings during the appeal process.

35.8. The employer shall promptly deliver to the union a copy of any notice of suspension, notice of termination, or reprimand issued to an employee.

ARTICLE 36 - DISCIPLINARY ACTION

36.1. Employees shall have the right to have a Union representative present during all disciplinary proceedings or hearings conducted by the Chief or his or her authorized representative which may result in any disciplinary action other than a verbal reprimand.

ARTICLE 37 - RESIGNATIONS

37.1. Any employee who wishes to resign in good standing shall give the Chief written notice of at least four (4) weeks, unless the Chief consents to his or her leaving on shorter notice. Such notice of resignation shall be forwarded forthwith to the secretary by the Chief, together with a report as to the character of the employee's service.

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 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 Chief withdraw his or her resignation and be restored to the position vacated if such position 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 Chief or without notifying him of the reason for his or her absence and the time when he or she expects to return, or who fails to notify the chief of his or her readiness to resume his or her duties within five (5) days after the expiration of a leave of absence, shall be considered to have resigned, and such resignation shall be treated as a resignation without notice and a report thereof made to the secretary.

ARTICLE 38 - LAYOFFS

38.1. When the Employer, in its sole discretion, determines that it is advisable due to cause which is not attributable to employment acts of the employee that are rightly disciplinary matters, to reduce the number of employees within a certain job classification, the Chief shall act in accordance with this Article.

38.2. Temporary, provisional, and substitute employees in such class in the department shall first be terminated. Then such reduction shall be made on the basis of seniority; the employee with the least seniority in such class shall be the first to be displaced from such class and so on. Any employee displaced from such class shall be demoted to the next lower class. Employees shall have their seniority from any higher classification added to their lower classification seniority for determination of seniority in the lower classification.

38.3. The above described procedure shall be reapplied, as is necessary, through to the lowest class; when there is no lower class to which to demote an employee, an employee who would otherwise be demoted shall be laid off.

38.4. If two or more persons in a class from which a demotion is to be made have equal seniority in such class, seniority between or amongst such persons shall be determined by the total time such persons have been employed in the classified service by the City; if such persons have equal seniority the one with the highest Police Officer test score shall be deemed to have the greatest seniority.

38.5. The name of any employee who is demoted or laid off pursuant to this section shall be placed on the re-employment list for each class from which he or she is laid off. This paragraph shall not be applicable to any temporary or provisional employee.

38.6. Demotions or layoffs of an employee made pursuant to this article shall not be deemed to be a removal which is subject to Article 34.

ARTICLE 39 - RE-EMPLOYMENT RIGHTS

39.1. The name of any person who has been laid off shall be placed on the re-employment list.

39.2. The names shall be arranged on the re-employment list for each class, in which they completed a probationary period, in the order of their total seniority in that and higher classes; provided, that if any employee has not been re-employed, the Manager, Human Resources shall, on or about the anniversary date of the layoff, contact each person laid off by certified mail to determine if such person is interested in re-employment. If the person is no longer interested, or without giving

a satisfactory reason, refuses to accept an appointment offered him, the Chief Administrative Officer may remove his or her name from the re-employment list.

ARTICLE 40 - GRIEVANCE PROCEDURE

40.1. An employee who has been suspended or removed for disciplinary reasons may have the matter reviewed either by the Civil Service Board or by way of this grievance procedure, at the employee's option. 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 Chief, or in the Chief's absence, to his or her authorized representative. The Chief shall send a copy of the grievance to the Department of Administration within five (5) days of his receipt of it.

40.2. At any time after presentation of a grievance, the union may send a request for fact finding to the Human Resources Division. Within five (5) calendar days after receipt of a copy of the grievance, the Chief Administrative Officer or his designee shall assign a factfinder to investigate the grievance. The factfinder shall, within twenty-one (21) calendar days of such assignment, or request from the union, make a written report of his/her findings to the Chief Administrative Officer, the Department Director and the Union.

The Department Head, or his authorized representative, shall present the employer's position in writing to the employee or employees and the Union within twelve (12) calendar days after receipt of the factfinder's report.

Grievances not resolved within the Police Department must be presented by the employee or employees through the union in writing to the Chief Administrative Officer within twelve (12) calendar days after the Chief has given his or her reply to such grievance. The Chief Administrative Officer shall reply to the aggrieved employee or employees and the union within twelve (12) calendar days after receipt of such grievance. The resolution of grievances settled by the procedures set forth in this paragraph shall be reduced to writing and signed by the employee or employees, the union and the Employer.

40.3. If the grievance is not settled in accordance with the foregoing procedure, the union may, within nine (9) calendar days after receipt of the reply of the Chief Administrative Officer submit the grievance to arbitration by serving notice in writing of such submittal upon the Chief Administrative Officer. The parties shall attempt to agree upon an arbitrator within seven (7) calendar days after submittal of the grievance to arbitration and in the event the parties are unable to agree upon an arbitrator within said seven (7) day period, either party may request the Bureau of Mediation Services of the State of Minnesota to submit a panel of no less than five (5) arbitrators. The parties shall each have the right to alternately strike names from the panel until only one remains. If the parties are unable to agree on who shall strike the first name, the question shall be decided by a flip of the coin. The remaining person shall be the arbitrator. The arbitrator shall be notified of his or her selection by a joint letter from the parties requesting that he or she set a time and a place for the hearing on the grievance, subject to the availability of the parties.

40.4. 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. More than one (1) grievance may be heard by the same

arbitrator by mutual written agreement of the parties. Either party may, if it desires, submit a brief to the arbitrator setting forth its position with respect to the issue(s) involved in a grievance. The arbitrator shall be without power to make decisions contrary to or inconsistent with or modifying or varying in any way the application of laws and rules and regulations having the force and effect of law. The arbitrator shall submit his or her decision in writing to the parties and shall file a copy of such decision with the Bureau of Mediation Services of the State of Minnesota. The decision shall be based solely upon his or her interpretation of the meaning or application of the express terms of this agreement to the facts of the grievance presented.

40.5. 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.

40.6. The fee and expenses of the arbitrator shall be divided equally between the parties. Each party shall be responsible for compensating its own 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.

40.7. 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.

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

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

ARTICLE 41 - SENIORITY--VACATION RIGHTS AND ASSIGNMENTS

41.1. For purposes of this Agreement, seniority shall be determined by the employee's length of continuous service with the Police Department.

41.2. Vacation selection rights shall be from within work groups and shall be determined by seniority in rank.

41.3. The Employer and Union agree with the principle that seniority shall be a factor in making assignments.

41.4. The Employer agrees to furnish the Union with an up-to-date list every twelve (12) months showing the length of service, promotional dates, time in grade and time within current work group for each employee and post a copy of such list on the Police Department bulletin board.

ARTICLE 42 - COMPENSATION FOR APPEARANCES AT COURT PROCEEDINGS OR HEARINGS FOR ANOTHER PARTY

42.1. Whenever employees are requested or required by a party other than the Employer to appear as witnesses in civil or criminal court proceedings or civil hearings, such employees shall, if the testimony they are to give arises out of the performance of their duties as police officers, be considered to be on duty during the time necessarily spent in attending such court proceeding or hearing and shall be compensated accordingly; provided, however, that the Employer shall deduct from such compensation the amount of any witness fees (excluding mileage allowances) that such employees are entitled to for appearing in such court proceedings or hearings.

ARTICLE 43 - SAFETY

43.1. Both the Employer and the Union agree to maintain sanitary and safe working conditions and equipment.

ARTICLE 44 - NO STRIKE PROVISION

44.1. Neither the Union, its officers or agents, nor any of the employees covered by this Agreement will engage in, encourage, sanction, support or suggest any strikes, slow downs, mass resignations, mass absenteeism, the willful absence from one's position, the stoppage of work or the abstinence in whole or in part of the full, faithful and proper performance of the duties of employment for the purpose of inducing, influencing or coercing a change in the conditions or compensation or the rights, privileges or obligations of employment. In the event that any employee violates this article, the Union shall immediately notify any such employee in writing to cease and desist from such action and shall instruct them to immediately return to their normal duties. Any or all employees who violate any of the provisions of this article may be discharged or otherwise disciplined.

ARTICLE 45 - REIMBURSEMENT FOR DAMAGED PERSONAL PROPERTY

45.1. Whenever an employee, while acting within the scope of his or her employment with the City, suffers the loss of or damage to his or her eyeglasses, watch, hairpiece, or uniform or other clothing as a result of the actions of another person or persons, such employee shall be reimbursed by the City in the amount of the value of any such item which is lost or damaged beyond repair and in the amount of the cost of repair of any other damaged item if the damage is reported in accordance with Article 12 of this Agreement; provided, however, that whenever the City reimburses an employee pursuant to this article, such employee shall be deemed to have subrogated to the City his or her right of recovery against other parties for such loss or damage, and such employee shall cooperate fully with the City in any attempt it may make to recover the amount of such loss or damage from such other parties.

ARTICLE 46 - ROLL CALL

46.1. Both the Union and the Employer recognize that there is a need in police work for a preparation period prior to commencement of daily duties. This preparation period shall be fifteen (15) minutes in length prior to the employees' regularly scheduled work shift. Employees required to appear for such preparation period shall receive a monthly allowance of two and three fourths

percent (2-3/4%) of their basic monthly pay, computed to the nearest dollar, in addition to the monthly pay otherwise prescribed by this Agreement.

ARTICLE 47 - INCENTIVE AWARDS

47.1. In addition to all other compensation paid to an employee pursuant to this Agreement, employees may be paid additional compensation or furnished additional benefits, not to exceed a value of $1,500 to any single employee in one year, from time to time in accordance with the rules and regulations of the City Employee Incentive Awards Program. The rules and regulations for such program shall be established by the Mayor and shall be effective upon the filing of a copy of such rules and regulations in the office of the City Clerk. The Mayor may amend such rules and regulations from time to time and such amendments shall be effective thirty (30) days after filing a copy thereof in the office of the City Clerk.

ARTICLE 48 - MASTER POLICE OFFICER PROGRAM

48.1. The Master Police Officer Program is intended to provide recognition and pay incentives to employees who obtain further education, experience and training; provide service to the community through various activities, both within the City of Duluth and outside the City of Duluth; and have shown, by their length of employment as a peace officer, a commitment to high work standards.

48.2. There is established a joint labor-management committee to administer the Master Police Officer Program. The Master Police Officer Management Committee shall be comprised of the following voting members:

a. Three members appointed by the Police Chief;

b. Three members appointed by the Union; and

c. The Police Chief, or such other representative as the Police Chief may appoint.

d. Any action taken by the Master Police Officer Management Committee shall require a majority vote of the members of the committee. The Master Police Officer Management Committee shall meet, at a minimum, once per year.

48.3. The Master Police Officer Management Committee shall have the following powers and duties:

a. The power and duty to recommend rules and regulations for the program, including rules and regulations regarding eligibility for the program, point totals assigned to various categories, levels of participation in the program, and documentation standards;

b. The power and duty to annually conduct a review of the rules and regulations for the purpose of amending any categories or point total requirements in the program;

c. The power and duty to make recommendations to the Police Chief about the operation of the program, including requiring such record-keeping as shall enable the committee to review the annual cost of the program;

d. The power and duty to develop an application procedure, including appropriate deadlines for submission of applications for participation in the program; to review applications from employees for participation in the program, including requests for renewal of eligibility; and, based on the applicable rules and regulations, to determine the point totals to be awarded in each category, and to award a point total to employees who have applied. Eligibility for the program may only be granted on a calendar year basis.

48.4. Any decision of the Master Police Officer Program committee may be reviewed by the Police Chief either upon the chief's own initiative or upon request of an affected employee. The Police Chief shall make the final decision. Decisions of the committee and of the Chief regarding this program are not subject to the grievance procedure contained in this agreement.

48.5. Participation in the Master Police Officer program shall not be considered a promotion or transfer. The loss or reduction of any pay awarded through the Master Police Officer program shall not be considered a demotion.

48.6. An employee cannot receive pay awarded through the Master Police Officer program at the same time that the employee receives field training officer pay pursuant to Article 8.8 of this Agreement; trainer pay pursuant to Article 8.9 of this Agreement; and investigator pay pursuant to Article 8.10 of this Agreement.

48.7. All employees who are eligible for participation in the program shall be approved by the committee prior to December 15 of the previous year so that modification of the employee's payroll records can be accomplished.

48.8. The pay which an employee receives for participation in the program is a percentage of the rate of pay which is the midpoint between the rate of pay range 326E and the rate of pay range 328E, together with any additions to pay provided by this Agreement, which additions shall be calculated by using the new rate:

Level A	25%
Level B	40%
Level C	65%
Master Cop	100%

ARTICLE 49- COMPLETE AGREEMENT AND WAIVER OF BARGAINING AND REOPENERS

49.1. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the Employer and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to or

covered in this Agreement or with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement, except for the following provision:

49.2. The parties agree to meet and confer in the Insurance Committee for appropriate changes in Medical Insurance Plan, and Long Term Disability Plan, including any occasioned by passage of state or federal legislation, including Retiree Health Insurance Plan and any contribution to the cost thereof, to achieve reasonable and conservative cost containment suggestions, and then, upon request of either party, meet and negotiate contract changes, if possible.

49.3. Either party may require negotiation during the term of this agreement regarding the establishment of a job sharing system.

49.4. During the term of this Agreement, either party may, by written notice, require the other to meet and negotiate concerning the wording or subject matter of Article 19 and/or Article 20 and the conditions for allowing so-called "ride-alongs".

ARTICLE 50 - DURATION OF AGREEMENT

50.1. This Agreement shall be effective as of the 1st day of January, 2010, and shall remain in full force and effect through the 31st day of December, 2010, and after that date the agreement survives until the parties agree to a new contract, as provided by law.

ARTICLE 51 - DISTRIBUTION OF COPIES OF AGREEMENT

51.1. The Employer shall give to each present employee, and to each new employee when he or she is hired, a copy of this Agreement.

ARTICLE 52 - MILITARY LEAVE - BENEFITS

52.1. State and Federal laws provide protection and benefits to employees who are called to military service. Military leaves of absence shall be granted and handled in accordance with State and Federal law.

ARTICLE 53 - UNIVERSAL LANGUAGE

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

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

CITY OF DULUTH

By_____
Mayor

Attest_____
City Clerk

By_____
Chief Administrative Officer

Countersigned:

_____
City Auditor

Approved as to form:

_____
City Attorney

DULUTH POLICE LOCAL

By_____
Its President

By_____
Its Secretary-Treasurer

APPENDIX I

TITLE	RANGE	JOB CLASS NO.
Police Officer	326	4402
Investigator	327	3322
Police Sergeant	328	1712

BASIC MONTHLY PAY
2010

PAY RANGE NO.	STEP A	STEP B	STEP C	STEP D	STEP E
326	3309		3846		4382
327					4768
328			4585		5154

BASIC MONTHLY PAY 2010
INCLUDING 8.25% ADD-ONS
24 Hour Duty: 4%; First Responder: 1.5%; Roll Call: 2.75%

PAY RANGE NO.	STEP A	STEP B	STEP C	STEP D	STEP E
326	3582		4163		4744
327					5161
328			4963		5579

HOURLY RATE 2010
INCLUDING 8.25% ADD-ONS

PAY RANGE NO.	STEP A	STEP B	STEP C	STEP D	STEP E
326	20.6653		24.0190		27.3664
327					29.7751
328			28.6313		32.1868