

CONTRACTUAL AGREEMENT

between

**OWOSSO LOCAL NO. 1059
COUNCIL NO. 25, AFL-CIO**

and

THE CITY OF OWOSSO

November 4, 2019 to April 30, 2022

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AGREEMENT

This agreement, entered into on this fourth day of November, 2019, between the City of Owosso (hereinafter referred to as the "employer") and the Owosso City Chapter of Local No. 1059, affiliated with Michigan Council #25, American Federation of State, County, and Municipal Employees, AFL-CIO (hereinafter referred to as the "union").

NOTE: The headings used in this agreement and exhibits neither add to nor subtract from the meanings but are for reference only.

PURPOSE AND INTENT

The general purpose of this agreement is to set forth terms and conditions of employment, and to promote orderly and peaceful labor relations for the mutual interest of the employer, the employees, and the union.

The parties recognize that the interest of the community and the job security of the employees depend upon the employer's success in establishing a proper service to the community.

To these ends, the employer and the union encourage to the fullest degree, friendly and cooperative relations between the respective representatives at all levels among all employees.

RECOGNITION - EMPLOYEES COVERED

Pursuant to and in accordance with all applicable provisions of Act #379 of the Public Acts of 1965, as amended, the employer does hereby recognize the union as the exclusive representative for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment and other conditions of employment for the term of this agreement of all employees of the employer included in the bargaining units described:

All employees in the Department of Public Works, Parks, Wastewater, Water, and City Hall, EXCEPT supervision and executives as defined in the act and City Hall clerical personnel and all other employees.

ARTICLE 1. GENDER

Reference to the male gender shall apply equally to the female gender and vice versa.

ARTICLE 2. AID TO OTHER UNIONS

The employer will not aid, promote or finance any labor group which purports to engage in collective bargaining or make any agreement with labor groups for the purpose of undermining the union.

ARTICLE 3. UNION SECURITY

(a) Employees covered by this agreement at the time it becomes effective and who are members of the union may, if they so choose, continue membership in the union or pay a service fee determined by the Union, as allowed by law.

(b) Employees covered by this agreement who are not members of the union may, if they so choose, become members of the union or pay a service fee determined by the Union, as allowed by law. commencing thirty (30) days after the effective date of this agreement.

(c) Employees hired, rehired, reinstated, or transferred into the bargaining unit after the effective date of this agreement and covered by this agreement may, if they so choose, become members of the union or pay a service fee determined by the Union as allowed by law, commencing the thirtieth (30) day following the beginning of their employment in the unit.

ARTICLE 4. SAVE HARMLESS

In the event the employer, acting on the request of the union, discharges or attempts to discharge an employee for failure to comply with the provisions of Article 3 and 5, the union shall indemnify the employer against any and all claims, demands, suits, expenses, or other forms of liabilities of whatsoever kind and nature that shall arise out of action taken by the employer for the purpose of complying with the provisions of this agreement.

ARTICLE 5. UNION DUES AND INITIATION FEES

(a) Payment of Check-Off: Employees, if they so choose, may tender the initiation fee and monthly membership dues, or a service fee determined by the Union as allowed by law, by signing a proper authorization for the membership dues levied, or the service fee, from the pay of each employee who executes or has executed an Authorization for Check-Off of Dues Form and has not revoked that Authorization for Check-Off of Dues Form. The employer will be notified by the Treasurer of the local union when the amount of dues is changed and when an employee revokes his/her Authorization for Check-Off of Dues Form, according to the terms of (d), below.

(b) When Deduction Begins: Check-Off deductions under all properly executed and unrevoked authorization for check-off forms shall become effective at the time the application is signed by the employee and shall be deducted from the last pay of the month and each month thereafter.

(c) Remittance of Dues to Financial Officer: Deductions for any calendar month shall be remitted to such address designated by the designated financial officer of Michigan Council #25, AFSCME, AFL-CIO, 1034 N. Washington Ave., Lansing, MI 48906 with an alphabetical list of names and addresses of all employees from whom deductions have been made as soon as possible

after the first payday of the month. The employer shall additionally indicate the amount deducted and notify the financial officer of the council of the names and addresses of employees, who through a change in their employment status, are no longer subject to deductions and further advise said financial officer by submission of an alphabetical list of all new hires since the date of submission of the previous month's remittance of dues. In addition, the Employer shall provide monthly the addresses, phone and e-mail information as provided by the employee of all employees. The Employer shall provide this information to the Chapter Chair and the Council 25 Staff Representative by letter, memo or in electronic form.

(d) Termination of Check-Off: An employee shall cease to be subject to check-off deductions upon revocation of his/her Authorization for Check-Off of Dues Form or beginning with the month in which he/she is no longer a member of the bargaining unit. The local union will be notified by the employer of the names of employees who are no longer members of the bargaining unit following the end of each month in which the termination took place. An employee may revoke his/her voluntary check-off authorization at any time by submitting notice to the employer's payroll office via certified mail and Union via certified mail, to the extent allowed by law. Such forms shall be processed within thirty (30) day of receipt. The proper address for the Union is in (c), above.

(e) Disputes Concerning Payment of Dues or Service Fee: Any dispute arising out of an employee's non-compliance with the provisions of this article shall be reviewed by the designated representative of either the local union or the Council #25, and if not resolved, shall be subject to the Grievance Procedure.

ARTICLE 6. UNION REPRESENTATION

It is mutually recognized that the principal of proportional representation which reflects the increase and decrease in the work force is a sound and sensible basis for determining proper representation.

ARTICLE 7. STEWARDS AND ALTERNATE STEWARDS

(a) In each department, Employees in the department shall be represented by one steward who shall be a regular employee working in that department. In the absence of the steward, an alternate may be appointed by the local Unit Chairman.

(b) Departments are listed as below:

1. Water Filtration Plant
2. Wastewater Treatment Plant (WWTP)
3. Street Department
4. Water Distribution

(c) The stewards, during the working hours, without loss of pay or time, may investigate and present grievances to the employer, after the steward has notified the supervisor.

(d) The employer will be notified by the Unit Chairman of the names of the steward in each department and the alternate names.

(e) The alternate shall serve only in the absence of the steward.

ARTICLE 8. SPECIAL CONFERENCE

(a) Special conferences for important matters will be arranged between the Unit Chairman and the employer or its designated representative upon the request of either party. Such meetings shall be between two (2) representatives of the employer and two (2) representatives of the union.

Arrangements for such special conferences shall be made in advance and an agenda of the matters to be taken up at the meeting shall be presented at the time the conference is requested. Matters taken up in special conferences shall be confined to those included in the agenda. Conferences shall be held between the hours of 9:00 a.m. and 4:00 p.m. The members of the union shall not lose time or pay for time spent in such special conferences. This meeting may be attended by a representative of the council and/or a representative of the international union.

(b) The union representatives may meet at a place designated by the employer on the employer's property for at least one-half (1/2) hour immediately preceding a meeting with the representatives of the employer for which a written request has been made.

ARTICLE 9. GRIEVANCE PROCEDURE

SECTION 1. GENERAL TERMS

Definition of a Grievance (a) A grievance, within this agreement, is a dispute, claim or complaint arising out of and during the terms of this agreement and filed by the authorized steward in the bargaining unit. Grievances are limited to matters of interpretation or application of express provisions of this agreement. When writing a grievance, the articles believed to be in violation are to be named.

Written Record & Timeline (b) The employer will answer in writing, the grievance presented to the employer in writing by the union.

(c) All written grievances shall be submitted by the aggrieved employee and/or the authorized steward in the bargaining unit. In the case of a group or unit grievance, the written grievance shall be submitted by the Union Chairman.

(d) Saturday, Sunday, and holidays shall be excluded from the Grievance Procedure time limits.

(e) Any grievances not filed within the time limits (see Section 2, Step 1, paragraph c) or appealed by the union within the time limits shall be deemed withdrawn. Any grievance not answered by the employer within the time limits shall automatically move to the next step. Extension requests may be granted and shall be in writing. Requests for extensions will not be unreasonably denied.

SECTION 2. PRESENTING A GRIEVANCE

Any employee having a grievance shall present it to the employer as follows:

Step 1. (a) If an employee feels he/she has a grievance, he/she shall discuss the grievance with the steward of the department. Time for such discussion not to exceed one-half (½) hour.

(b) The steward may discuss the grievance with the immediate supervisor. The immediate supervisor of the various group classifications are as follows:

1. Department of Public Works Superintendent
2. Water Treatment Superintendent
3. Wastewater Treatment Plant Superintendent

(c) If the matter is thereby not disposed of, it will be submitted in written form by the steward to the immediate supervisor.

The grievance must be presented in writing by the steward to the immediate supervisor within seven (7) days after its occurrence, or reasonable knowledge of its occurrence, in order to be proper matter for the grievance procedure.

The immediate supervisor shall respond in writing within five (5) days.

Step 2. (a) If the immediate supervisor's answer is not satisfactory, then the grievance may be presented by the steward to the Public Services Director who shall answer within five (5) days.

(b) In the event the immediate supervisor is a member of the bargaining unit, the grievance will be presented directly to Step 3.

Step 3. (a) If the director's answer is not satisfactory, then the grievance may be appealed by the union within five (5) days to the Human Resources Director. A meeting between not more than four (4) representatives of the union and not more than four (4) representatives of the employer will be arranged to discuss the grievance or grievances appearing on the agenda within seven (7) days from the date the appeal(s) is/are received by the employer. Such meeting may be attended by a representative of the council/international union. The Human Resources Director or Business Manager will provide a written answer within ten (10) days of the third step meeting.

(b) The union representative may meet at a place designated by the employer on the employer's property for at least one-half (½) hour immediately preceding a meeting with the representatives of the employer for which a written request has been made.

Step 4. (a) If the director's answer is not satisfactory in Step 3 and the union desires to carry the matter further, the union shall, within 15 days following receipt of the Human Resource Director's answer, advise the employer in writing that such answer is unacceptable, the reasons it is deemed to be unacceptable, and in the communication further advise that the matter is being referred to mediation. Within 10 workdays of such notification, the Human Resources Director shall file a request for mediation through the Michigan Employment Relations Commission (MERC). A copy of which shall be forwarded to the Chapter Chair and Council or International representative. If the commission is unable to hear the grievance within 30 workdays from receipt of the request for mediation for any reason, either party may demand to proceed to the next step of the grievance procedure. Such demand by either of the parties shall not prohibit the parties from holding a mediation hearing with MERC prior to arbitration if mutually agreed.

(b) The mediation hearing shall be governed by the following rules:

1. The grievant shall have a right to be present at the Mediation Hearing as well as a Council 25 Representative;
2. Each party shall have one principal spokesperson;
3. Outside lawyers or consultants shall not participate in a mediation hearing;
4. Any documents presented to the mediator shall be returned to the respective parties at the conclusion of the hearing;
5. Proceedings shall be informal in nature. The presentation of evidence is not limited to that presented at earlier steps of the grievance procedure. The rules of evidence shall not apply and no formal record of the mediation hearing shall be made;
6. The mediator shall have the authority to meet separately with any person or persons provided their chief spokesperson is present, but will not have authority to compel a resolution of a grievance;
7. If no settlement is reached, the mediator **may** provide the parties with a verbal advisory;
8. The mediator shall state the grounds for his/her advisory;
9. The mediator shall have no power to alter or amend the terms of the Collective Bargaining Agreement;
10. The advisory of the mediator shall not be submitted as evidence if the grievance later is heard by an arbitrator.

(c) If the matter is resolved at mediation, the parties will sign a written settlement within ten (10) days of mediation.

(d) Step 4 of the grievance procedure may be bypassed if agreed to by both parties in writing.

Step 5. (a) If the grievance is not satisfactorily adjusted in the last preceding step, the union may request arbitration of an unsettled grievance. The union must notify the employer in writing of such desire within fifteen (15) days of the due date of the written disposition that was given, or to be given, under the last step of the grievance procedure provided for in this agreement. In the event that either party should fail to serve such written notice, the matter shall be considered withdrawn.

(b) The parties shall attempt to agree upon an impartial arbitrator. If they cannot so agree within ten (10) days of the request for arbitration, the union shall promptly thereafter file a demand for arbitration with the Federal Mediation and Conciliation Service, requesting that an arbitrator be selected with assistance and under the rules of the Federal Mediation and Conciliation Service.

(c) The arbitrator shall have no power to add to or subtract from or modify any of the terms of the agreement or any supplementary agreement nor to rule on any matter except while this agreement is in full force and effect between the parties.

(d) The expenses of the arbitrator shall be borne equally by the union and the city.

(e) There shall be no appeal from any arbitrator's decision, as such decision shall be final and binding on the union and its members, the employee or employees involved, and the employer.

ARTICLE 10. COMPUTATION OF BACK WAGES

No claim for back wages shall exceed the amount of wages the employee would otherwise have earned at his/her regular rate.

ARTICLE 11. DISCIPLINE, SUSPENSION OR DISCHARGE

(a) Notice of suspension or discharge: The employer agrees upon the suspension or discharge of an employee to notify in writing the steward in the department of the suspension or discharge.

(b) The suspended or discharged employee will be allowed to discuss his/her suspension or discharge with the steward of the department. Upon request, the employer or his/her designated representative, will discuss the suspension or discharge with the employee and the steward.

(c) Appeal of Suspension or Discharge: Should the suspended or discharged employee or the steward consider the suspension or discharge to be improper, a complaint shall be presented in writing through the steward to the employer within seven (7) regularly scheduled working days. The employer will review the suspension or discharge and give its answer within five (5) regularly scheduled working days after receiving the complaint. If the employer's answer is not satisfactory to the union, the matter shall be referred to Step 3 of the Grievance Procedure.

(d) Use of Past Records: in imposing any discipline on a current charge, the employer will not take into account any prior infractions which occurred more than two years previously.

(e) Employees who receive discipline other than suspension or discharge, and the disciplined employee or the steward considers the discipline to be improper shall submit a written complaint in accordance with Articles 9 of this agreement.

(f) Discipline shall be issued within twenty (20) working days (excludes Saturday, Sunday, and holidays) after its occurrence, or reasonable knowledge of its occurrence. This timeline may be extended when an active investigation, defined as waiting for evidence, is in progress or by mutual written agreement.

ARTICLE 12. SENIORITY - PROBATIONARY EMPLOYEES

(a) New employees hired in the Street and Water Distribution Department shall be considered as probationary employees for the first one hundred eighty (180) calendar days of their employment. Employees hired into water distribution and as a condition of continued employment shall be required to acquire the State of Michigan S-4 (or higher) within two (2) years from their date of employment. Any employee who fails to acquire the certification within the two (2) year time limit may have his/her services terminated by the employer and neither the employee so terminated nor the union shall have recourse to the Grievance Procedure over such termination. This language shall not prohibit employees from bidding to another position. Current employees will be grandfathered in and all new hires as of date of ratification must abide by the above.

(b) New employees hired in the Water Filtration Plant where the State of Michigan mandates that an employee must have a valid F Certification to operate a shift shall be considered as probationary employees for the first one hundred eighty (180) calendar days of their employment. Employees hired into the Water Filtration Plant and as a condition of continued employment shall be required to acquire the State of Michigan mandated F Certification within two (2) years from their date of employment. Any employee who fails to acquire the state mandated F Certification within the two (2) year time limit may have his/her services terminated by the employer and neither the employee so terminated nor the union shall have recourse to the Grievance Procedure over such termination. This language shall not prohibit employees from bidding to another position.

(c) New employees hired in the Wastewater Treatment Plant shall be considered as probationary employees for the first one hundred eighty (180) calendar days of their employment. Employees hired into the Wastewater Treatment Plant and as a condition of continued employment

shall be required to acquire the State of Michigan D Certification within two (2) years from their date of employment. Any employee who fails to acquire the D Certification within the two (2) year time limit may have his/her services terminated by the employer and neither the employee so terminated nor the union shall have recourse to the Grievance Procedure over such termination. This language shall not prohibit employees from bidding to another position. Current employees will be grandfathered in and all new hires as of date of ratification must abide by the above.

(d) Upon successful completion of a new employee's probationary period, he/she shall be entered on the seniority list of the unit and shall rank for seniority from his/her last date of hire. There shall be no seniority among probationary employees.

(e) The union shall represent employees for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment, as set forth in Recognition-Employees Covered of this agreement, except discharged or disciplined employees for other than union activity.

(f) Probationary employees may be disciplined or their service with the employer may be terminated at any time by the employer at its sole discretion and neither the employee so disciplined or terminated nor the union shall have recourse to the Grievance Procedure over such discipline or termination.

(g) Seniority shall be on the unit-wide basis, in accordance with the employee's last date of hire.

(h) Any employee's seniority shall entitle him/her only to such rights as are expressly provided for in this agreement.

ARTICLE 13. SENIORITY LISTS

(a) The seniority list will show names, job titles, and date of hire of all employees of the bargaining unit entitled to seniority.

(b) The employer will keep the seniority list up-to-date at all times and will provide the Unit Chairman with up-to-date copies at least every six (6) months.

ARTICLE 14. LOSS OF SENIORITY

An employee shall lose his/her seniority for the following reasons only:

(a) He/she quits.

(b) He/she is discharged and the discharge is not reversed through the procedure set forth in this agreement.

(c) He/she is absent for three (3) consecutive work days without notifying the employer. In proper cases, exceptions shall be made. After such absence, the employer will send written notification to the employee at his/her last known address that he/she has lost his/her seniority, and his/her employment has been terminated. If the disposition made of any such case is not satisfactory, the matter may be referred to the grievance procedure.

(d) If he/she does not return to work when recalled from layoff as set forth in the recall procedure. In proper cases, exceptions shall be made.

(e) Return from sick leave and leaves of absence will be treated the same as (c).

(f) He/she retires.

(g) He/she is not recalled to work within the length of his/her service or three (3) years, whichever is the lesser.

ARTICLE 15. SHIFT PREFERENCE

An employee will be granted shift preference on the basis of departmental seniority twice each year on or about April 1st and October 1st. In proper cases, exceptions may be made. The employee must give thirty (30) days written notice (by March 1st and September 1st) for shift preference and the affected employee will be notified by management upon receipt. The transfer will take effect beginning in the first pay period on or after April 1st and October 1st respectively.

ARTICLE 16. SENIORITY OF STEWARDS

Notwithstanding their position on the seniority list, the Unit Chairman and stewards, in that order, shall in the event of a layoff of any type, be continued to work as follows:

STEWARDS: As long as there is a job in their department which they can perform and they shall be recalled to work in the event of a layoff on the first job open in their department which they can perform.

ARTICLE 17. SUPPLEMENTAL AGREEMENTS

All supplemental agreements shall be signed by the Unit Chairman and the Human Resources Director.

ARTICLE 18. LAYOFF DEFINED

(a) The word "layoff" means a reduction in the working force due to a decrease of work or lack of funds.

(b) If it becomes necessary for a layoff, the following procedure will be mandatory: All seasonal employees doing scope of work within Local 1059 job descriptions will be laid off first

and then probationary employees will be laid off. Seniority employees will be laid off according to seniority as defined in Articles 15 and 19. In proper cases, exceptions may be made. Disposition of these cases will be a proper matter for a special conference and if not resolved, it shall then be subject to the Grievance Procedure.

(c) Employees to be laid off for an indefinite period of time will have at least seven (7) calendar day's notice of layoff. The local Union Secretary and council shall receive a list from the employer of the employees being laid off on the same date the notices are issued to the employees.

(d) An exception to the above would be in a layoff affecting the Wastewater Treatment Plant and the Water Filtration Plant, where in order for an employee to "bump" into positions at those locations, they must meet the established minimum requirements set for the positions.

ARTICLE 19. RECALL PROCEDURE

When the working force is increased after a layoff, employees will be recalled according to seniority, as defined in Articles 15 and 19. Notice of recall shall be sent to the employee at his/her last known address by registered mail or certified mail. If an employee fails to report for work within seven (7) days from date of mailing of notice of recall, he/she shall be considered a quit. In proper cases, exceptions may be made.

ARTICLE 20. SUBCONTRACTING

The employer reserves the right to subcontract bargaining unit work when it does not have the facilities or equipment, or the available personnel, or when it is deemed more economical to have the work performed by others.

ARTICLE 21. JOB POSTING AND BIDDING PROCEDURES

(a) Promotions within a department shall be made on the basis of seniority and qualifications. Job vacancies within a department will be posted for a period of seven (7) calendar days setting forth the minimum requirements for the position in a conspicuous place in each building. Employees within a department interested in the vacancy shall apply within the seven (7) calendar day posting period. The senior employee applying for the promotion and who meets the minimum requirements shall be granted a four (4) week trial period to determine:

1. His/her desire to remain on the job.
2. His/her ability to perform the job.

In the event the senior applicant is denied the promotion, reasons for the denial shall be given in writing to such employee and the steward.

(b) During the four (4) week trial period, the employee shall have the opportunity to revert back to his/her former classification. If the employee is unsatisfactory in the new position, notice and reasons shall be submitted to the union in writing by the employer with a copy to the employee. The trial period may be extended by mutual written agreement between the union and the employer.

(c) During the trial period, employees will receive the rate of the job they are performing.

(d) Employees required to work in higher classifications shall be paid the rate of the higher classification for the hours worked at starting classification rate up to four (4) weeks. A promotion shall be considered as a change in job classification, resulting in a wage increase.

(e) If no employees within a department apply for the position posted, then the job will be re-posted for four (4) additional days and employees from the bargaining unit may apply for the position posted.

(f) In the event of a vacancy or newly created position, employees shall be given the opportunity to transfer on the basis of seniority and qualifications. In such cases, all vacancies and newly-created positions shall be posted in a conspicuous place in each building in the city at least seven (7) calendar days prior to filling such vacancy or newly created position.

ARTICLE 22. MILITARY LEAVE

(a) The Employer shall provide military leave and reinstatement rights for service members in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA).

(b) Reinstatement of Seniority Employees: Any employee who is called into active service in the Armed Forces of the United States, upon the termination of such service, shall be offered re-employment in his/her previous position or a position of like seniority, status, and pay, unless the circumstances have so changed as to make it impossible or totally unreasonable to do so, in which event he/she will be offered such employment in line with his/her seniority as may be available which he/she is capable of doing at the current rate of pay for such work, provided he/she reports for work within ninety (90) days of the date of such discharge or one hundred twenty (120) days after hospitalization continuing after discharge.

(c) A probationary employee who is called into the Armed Forces and meets the foregoing requirements, must complete his/her probationary period and upon completing it, will have seniority equal to the time he/she spent in the Armed Forces plus thirty (30) days.

ARTICLE 23. LEAVE OF ABSENCE FOR VETERANS

Employees who are in some branch of the Armed Forces Reserve or the National Guard will be paid the difference between their reserve pay and their regular pay with the employer when they are on full-time active duty in the Reserves or National Guard, provided proof of service and pay is submitted for a maximum of two (2) weeks per year.

ARTICLE 24. LEAVE OF ABSENCE

Leaves of absence for reasonable periods may be granted without pay for:

1. Serving in an elected position (public or union) up to two (2) years.
2. Injury or illness leave (physical or mental).
3. Prolonged illness in immediate family. Such leave may be extended for like cause.

An employee, upon returning from an illness leave shall be required to furnish the city with a doctor's statement certifying that they are able to return to work.

However, the employee will continue to accrue seniority while on approved leave of absence.

Vacation and sick leave will not accrue during a leave of absence.

Written application is to be made thirty (30) days prior to start of a leave of absence, for personal leave or union business. Any other leaves must be in writing and approved by the Human Resources Director.

No leave of absence will be for less than thirty (30) or more than ninety (90) calendar days in a "rolling" 12-month period. An employee's current entitlement to leave is based on how many leave of absence days the employee has taken in the preceding 12 months, as measured backwards from the date the currently requested leave would commence.

Employees, while on a leave of absence, under this article, shall not become self-employed, nor perform paid services for another employer, other than #1 above. Any employee while on a leave of absence, under this article, found engaging in self-employment or performing paid services for another employer may be subject to disciplinary action, up to, and including discharge.

ARTICLE 25. LEAVE FOR UNION BUSINESS

(a) Members of the union elected to local union positions, which takes them from their employment with the employer shall, at the written request of the union with two (2) weeks' notice, receive temporary leaves of absence for periods not to exceed two (2) years or the term of office, whichever may be shorter, and upon their return shall be re-employed at work with accumulated seniority.

(b) Members of the union selected by the union to perform official business which takes them from their employment with the employer shall, at the written request of the union with two (2) weeks' notice, receive temporary leaves of absence for periods not to exceed six (6) months and upon their return shall be re-employed at work with accumulated seniority.

(c) For union leaves taken under (a) or (b) above the employer will not be required to pay wages. For leaves over two (2) weeks, the union will reimburse the employer for all benefits, so the employee is made whole, less any required employee contributions. These rates will be pro-rated for the month such employee goes on leave and returns from union leave, if necessary.

(d) Members of the union elected to attend a function of the International Union and/or Council #25 such as conventions or educational conferences shall be allowed time off without loss of time or pay to attend such conferences and/or conventions not to exceed five (5) working days and is to be limited to two (2) members each occasion. A written request must be made two (2)

weeks in advance in order to receive time off. The limit for paid union leave under this paragraph, (d), for the bargaining unit is ten (10) days per year and shall not carry over to the next calendar year.

ARTICLE 26. SICK LEAVE

Employees absent from work due to claimed illness and to qualify for a sick day shall inform the employer of such absence by telephone prior to starting time. Sick leave days will be used for legitimate illness or disability only. The employer may require and will receive a statement from the employee's personal doctor concerning the employee's illness or disability, if the illness or disability re-occurs frequently so as to raise a question about the employee's general state of health.

(a) **For bargaining unit members who were Local 1059 members prior to July 1, 2008:**

(1) Employees that became members of Local 1059 prior to July 1, 2008 shall accumulate eight (8) sick leave hours per month, not to exceed ninety-six (96) hours per year, with a maximum accumulation of 720 hours. A bargaining unit member who is a regular full-time employee at retirement shall be paid in cash fifty percent (50%) of unused sick leave days upon his/her retirement or to his/her estate in the case of death. The amount of payment for the fifty percent (50%) of unused sick days shall be calculated at the employee's retirement or death.

(2) During the life of this agreement, employees that became members of Local 1059 prior to July 1, 2008 who have accumulated sick days in excess of the 720 hours maximum shall receive payment for fifty percent (50%) of all said excess unused sick leave accumulated during the current fiscal year. Payment shall be made during the month of July immediately following the end of the current fiscal year.

(3) Employees hired prior to July 1, 2008 will have the option to accumulate up to 960 sick hours as a safeguard toward the maximum 720 hour accumulation. However, should the employee choose this option, he/she will not be eligible for the 50% cash-out of unused sick days until after he/she has accumulated 960 hours; then the employee would be eligible for the 50% cash-out of accumulated sick days over 120, in the same manner as in paragraph (2) above.

(b) **For bargaining unit members who became Local 1059 members after July 1, 2008:**

(1) Employees who became members of Local 1059 after July 1, 2008 shall receive a bank of forty-eight (48) sick leave hours per calendar year given on the employee's anniversary date. A sick day may be taken for an illness of the employee, the employee's child, spouse or for a child in which the employee is standing in "loco parentis." For an employee's own personal doctor or dentist appointments, sick time may be used. The employee may also use sick time for doctor or dentist appointments for the employee's child, spouse or for a child in which the employee is standing in "loco parentis." Because sick leave benefits are intended to provide income protection in the event of an actual illness or injury, sick days can be carried over from one calendar year to the next up to an accumulation of twelve (12) days. An employee will be paid out at fifty percent (50%) for any sick days over twelve accumulated at the end of their anniversary year. A bargaining unit member who is a regular full-time employee at retirement shall be paid in cash fifty percent (50%) of unused sick leave days upon his/her retirement or his/her estate in the case of death.

(2) **SHORT-TERM DISABILITY (STD):** The short-term disability benefit is a source of income replacement for employees unable to work due to illness, pregnancy or injury.

- **Eligibility:** A regular, full-time employee who has completed six months of continuous employment and who is unable to work due to illness, pregnancy or injury (other than a self-inflicted injury) is eligible. There is an eight (8) calendar day waiting period. The employee must have exhausted all paid leave including vacation and personal days as well as sick leave, before the STD will begin. An employee receiving workers' compensation or disability pay under any state or federal plan is ineligible for this benefit. To be eligible for

continued disability benefits, the employee must not engage in outside employment and is expected to avoid activities that may delay recovery and a return to work.

- **Medical certification:** The employee must provide medical certification of the disability that includes the starting and expected ending date of the disability. This certification must be submitted to the Human Resources Director. The enrolled carrier will make the determination of disability. If all or part of a claim is denied, the employee may request a review. The employee must request a review in writing within 180 days after receiving notice of the denial.

- **Benefit payment:** The short-term disability benefit payment is $66 \frac{2}{3}$ percent of the employee's base weekly wages calculated on average earnings in the previous year. The benefit may be paid for a maximum of 12 weeks per calendar year. Payments are made once a week. The benefit is taxable income.

- **Return to work:** The employee must return to work as soon as permitted by his or her health care provider. The employee must submit a fitness-to-return-to-duty clearance to the Human Resources Director. An employee whose absence has been designated as FMLA (Family and Medical Leave Act) leave is eligible for reinstatement as provided by the FMLA.

(3) **LONG-TERM DISABILITY (LTD):** The long-term disability benefit is a source of income replacement for employees that protects the employee and his/her family in the event that he/she becomes disabled and is unable to perform the material and substantial duties of his/her job.

- **Eligibility:** A regular, full-time employee who has completed six months of continuous employment and who is unable to work due to illness or injury (other than a self-inflicted injury) is eligible. An employee receiving workers' compensation or disability pay under any state or federal plan is ineligible for this benefit. To be eligible for continued disability benefits, the employee must not engage in outside employment and is expected to avoid activities that may delay recovery and a return to work.

- **Medical certification:** The employee must provide medical certification of the disability that includes the starting and expected ending date of the disability. This certification must be submitted to the Human Resources Director. The enrolled carrier will make the determination of disability. If all or part of a claim is denied, the employee may request a

review. The employee must request a review in writing within 180 days after receiving notice of the denial.

- **Benefit payment:** The long-term disability benefit payment is $66 \frac{2}{3}$ percent of the employee's base weekly wages calculated on average earnings in the previous six months. The benefit may be paid for the period of disability or until age 65, whichever is sooner. Payments are made once a month. The benefit is taxable income.

- **Return to work:** The employee must return to work as soon as permitted by his or her health care provider. The employee must submit a fitness-to-return-to-duty clearance to the Human Resources Director.

ARTICLE 27. FUNERAL LEAVE

An employee shall be allowed five (5) days as funeral leave days not to be deducted from sick leave for a death in the immediate family. Immediate family is to be defined as follows: mother, father, sister, brother, wife or husband, son or daughter, or a member of the employee's household.

Three (3) days shall be allowed for a death of other family members. These members are to be defined as follows: mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparents, son-in-law, daughter-in-law, grandchild, or step-relative in the above categories. Any employee selected to be a pallbearer for a deceased employee will be allowed one (1) funeral leave day with pay, not to be deducted from sick leave. The local Union Chairman or his/her representative, shall be allowed one (1) funeral leave day in the event of the death of a member of the union, who is an employee of the city, for the exclusive purpose of attending the funeral.

ARTICLE 28. WORKING HOURS AND CALL BACK

(a) Employees called back outside their regular shift shall be guaranteed two (2) hours work at time and one-half (1½) pay.

(b) During the life of this agreement, employer required standby duty shall be equally divided among all qualified personnel but can be exchanged by mutual agreement of the employees involved.

Employer required weekend standby duty shall start at 4:00 p.m. on Friday and end at 7:00 a.m. the following Monday. Employees performing weekend standby duty shall be required to standby at their residence and shall be paid as follows: 4:00 p.m. Friday till 7:00 a.m. Saturday, \$40.00 and \$55.00 for each twenty-four (24) hour period of required standby duty plus the employee's regular pay at time and one-half for actual hours worked.

The Plant Lead Operator's required standby duty will be paid at \$20.00 per shift for the standby duty.

All hours actually worked during the standby period will be construed as overtime hours and will be charged in accordance with Article 48 Equalization of Overtime.

Employees performing employer required standby duty shall make themselves available to respond to service requests and emergency call outs at all times.

(c) Normal work week will be Monday through Friday, eight (8) hours per day, forty (40) hours per week, except the Water Filtration Plant and WWTP.

(d) Employees may take one fifteen (15) minute "rest break" per shift.

(e) The normal work day shall start at 7:00 a.m. and end at 3:30 p.m., with a one-half hour unpaid lunch period.

(f) This article is intended to be construed only as a basis for overtime and shall not be construed as a guarantee of hours worked per day or week.

(g) The shift hours of the Water Filtration Plant will be 7:00 a.m. to 3:00 p.m., 3:00 p.m. to 11:00 p.m., and 11:00 p.m. to 7:00 a.m.

(h) Present work schedules of the Water Filtration Plant and WWTP will remain as they are at the time of this agreement, and will normally consist of eight (8) hours per day, forty (40) hours per week. If, however, a change is contemplated due to future operational needs, the employer agrees to meet and discuss such change with the union. Water Filtration Plant and WWTP schedules shall not be changed for the purpose of circumventing the payment of overtime.

ARTICLE 29. TIME AND ONE-HALF

(a) For all hours worked over eight (8) hours in an established period of twenty-four (24) hours. The established period will be determined by mutual agreement for each department.

(b) For hours worked in excess of forty (40) hours per week.

(c) Any hours paid shall be construed as hours worked for the purpose of computing any benefits in the existing agreement.

(d) Overtime or other premium rates shall not be pyramided. (i.e.: compounded or paid twice for the same hours worked.)

ARTICLE 30. HOLIDAY PROVISIONS

(a) The paid holidays are designated as:

1. New Year's Day	7. Thanksgiving Day
2. Martin Luther King, Jr. Day	8. Day after Thanksgiving
3. Good Friday	9. Christmas Eve
4. Memorial Day	10. Christmas Day
5. 4 th of July	11. New Year's Eve
6. Labor Day	

All employees, regular and probationary, will be paid their current rate based on an eight (8) hour day, except that probationary employees will be required to work the regularly scheduled work day immediately preceding and immediately following the holiday in order to qualify for the holiday pay. In a seven (7) day operation, the following holiday pay scales shall apply:

If a holiday falls on a regularly scheduled:

- (1) Off day and the employee does not work - 8 hours pay at straight time.
- (2) Off day and the employee does work - straight time, plus double time.
- (3) On day and the employee does work - straight time, plus double time.

(b) In 5-day operation of Monday through Friday, should a holiday fall on Saturday, Friday shall be considered as the holiday. Should the holiday fall on Sunday, Monday shall be considered as the holiday. An employee required to work on holidays included in this article will be paid two (2) times his/her base rate of pay for hours worked plus holiday pay.

(c) In a seven (7) day operation, if two or more employees are scheduled to a shift because of a normal scheduling practice on an existing holiday and the employer feels that only one employee is necessary, the senior employee shall be offered first choice of assignment to cover the holiday shift.

(d) Employees, unless on approved non-FMLA leave shall work their scheduled day before and their scheduled day after each listed holiday to qualify for holiday pay.

ARTICLE 31. VACATION ELIGIBILITY

Employees will be credited vacation from date of hire to anniversary date of hire.

Employees will receive vacation credits as follows:

- | | |
|-----------------------------|---------------------------------------|
| (a) 40 hours after 1 year | (d) 120 hours after 10 years |
| (b) 80 hours after 2 years | (e) 136 hours after 15 years |
| (c) 104 hours after 5 years | (f) 160 hours after 18 years and over |

ARTICLE 32. VACATION PERIOD

(a) Should more than one person in a department request vacation in the same period and it is not consistent with the needs of the city, seniority shall prevail.

(b) Vacations will be taken in a period of consecutive days. Seniority will prevail in the first portion of split vacations. Vacations may be split into one or more weeks, providing such scheduling does not drastically interfere with the operation, in proper cases exceptions may be made. Employees may take one (1) day or more vacation at a time.

(c) When a holiday is observed by the employer during a scheduled vacation, the vacation will be extended one day continuous with the vacation.

(d) If an employee becomes ill and is under the care of a duly licensed physician during his/her vacation, his/her vacation will be rescheduled. In the event the employer is unable to reschedule his/her vacation, the employee will be awarded payment in lieu of vacation.

(e) Employees shall give a minimum of two (2) weeks advance written notice of intent to use vacation. Any emergency request shall be approved or denied based upon its own merit. The

employer will make every attempt to respond to a written vacation request in a timely manner. If an employee is denied his/her request for vacation it will become proper subject for a special conference.

(f) Unused vacation credits shall be used up during the current year or they shall be forfeited.

(g) If an employee earns more than eighty (80) hours of vacation leave per year, he/she may elect to be compensated for unused vacation days in accordance with the following schedule:

Vacation Hours Earned Per Year	Maximum Unused Hours Paid
80	0
104	24
120	40
136	56
160	80

To qualify for payment for unused vacation days, the employee must notify the employer in writing of his/her intent to exercise his/her option to receive payment no later than thirty (30) days prior to his/her anniversary date.

(h) Rate during vacation: Employees will be paid their current rate based on their regular scheduled day while on vacation and will receive credit for any benefits provided for in this agreement.

(i) In the case of a deceased employee, any unused vacation will be credited in cash at the employee's last rate to the employee's estate.

ARTICLE 33. UNION BULLETIN BOARDS

The employer will provide bulletin boards in each building which may be used by the union and the employer for posting notices of the following types:

1. Notices of union recreational and social events
2. Notices of union elections
3. Notices of union results
4. Notices of union meetings

ARTICLE 34. RATES FOR NEW JOBS

When a new job is placed in a unit and cannot be properly placed in an existing classification, the employer will notify the union prior to establishing a classification and rate structure. In the event the union does not agree that the rate is proper, it shall be subject to negotiation.

ARTICLE 35. TEMPORARY ASSIGNMENTS

Temporary assignments for the purpose of filling vacancies of employees who are on vacation, absent because of illness, etc., will be granted to the senior employee who meets the requirements for such job. Such employee will receive the rate of pay of the higher classification. Temporary assignments shall not be made for the purpose of circumventing the payment of overtime.

ARTICLE 36. JURY DUTY

An employee who serves on jury duty will be paid his/her regular pay up to eight (8) hours per day at straight time pay. An employee who serves on jury duty will submit to the city any fees received for serving on jury duty.

ARTICLE 37. SAFETY COMMITTEE

A safety committee of employees and the employer representatives is hereby established. The committee will include the Chairman and Secretary of the bargaining unit and shall meet upon request of either party within two (2) weeks during regular daytime working hours, with the purpose of mutual interest in the safety of the employee.

ARTICLE 38. HOSPITALIZATION, MEDICAL AND DENTAL COVERAGE

Section 1. The employer agrees to share the cost of the monthly premium for Physicians Health Plan (PHP) PPO or other equivalent coverage. All full-time employees are eligible for health care coverage. Coverage begins the first of the month following thirty (30) days after the employee's date of hire. For example, if a full-time employee begins employment on August 15, coverage will be effective on October 1. Also included is a prescription drug rider. The employer may offer equivalent coverage with union approval.

The employee will contribute a specific dollar amount based on the hard caps listed under PA 152 of 2011 toward his/her annual medical benefits based on the coverage the employee is enrolled in (single, two person, family). If the medical coverage cost is above the annual amounts, the employee will contribute toward his/her annual medical benefits. These contributions will be deducted from the employee's first paycheck of the month on a pretax basis. These numbers will be adjusted each October for the following year and will be followed per state law.

The parties agree that the City of Owosso's Healthcare Taskforce is the preferred method for resolving healthcare benefit issues between the city and its employees. As such we remain committed to the collaborative process of controlling healthcare costs and managing benefit levels. The taskforce, which is comprised of members of both labor and management, operates through group consensus on all decisions. It is understood that an individual union group's

decision to opt-out of the taskforce, or the taskforce's decisions, does not limit the ability of the remaining groups to continue with the collaborative process. This taskforce shall be convened before each year's renewal rates are solicited and when those rates and any bids, if solicited, are returned for the purpose of securing the best plan as mutually agreed by the parties.

Section 2. Dental Coverage: The employer agrees to provide the following Delta Dental insurance plan or other equivalent coverage:

50/50 Delta Dental Class I and Class II Plan; maximum coverage of six hundred dollars (\$600) per person, per year or other equivalent coverage.

Section 3. Vision Coverage: The Employer agrees to provide the following eye care coverage:

Full-service benefit plan, National Vision Administrators, LLC or other substantially equivalent coverage.

Section 4. Health Insurance Opt-Out: An eligible employee, covered by health insurance from another source, may elect to forego the city provided health insurance set forth above and receive, in lieu of such coverage, an annual stipend equal to one-half (1/2) of the single subscriber rate for the coverage set forth in Section 1 above for each year the eligible employee has foregone the city provided health insurance. The stipend payment will be paid by separate check on or about June 30 of each year and will be pro-rated on the basis of one-twelfth (1/12) of the stipend payment for each full month the eligible employee has foregone the city provided health insurance. Employees choosing the health insurance opt-out must submit on a form provided by the city, evidence satisfactory to the city, of health coverage from another source. In the event an eligible employee elects to forego city provided health insurance coverage, the employee will be allowed to

elect, once each year, to be re-covered by the city health insurance, effective during the city's annual open enrollment period.

ARTICLE 39. WORKER'S COMPENSATION - ON-THE-JOB INJURY

An employee is entitled to worker's compensation as allowed under the Worker's Compensation Act. All workers compensation checks will be mailed to the city, so a correct amount can be calculated for the city check to bring the employee up to one hundred percent (100%) of his/her "normal pay," based on forty (40) hours per week, not to exceed twenty-six (26) weeks. After the twenty-six (26) weeks has been reached, an employee may choose to use sick, vacation or personal leave available to supplement worker's compensation.

ARTICLE 40. LIFE INSURANCE COVERAGE

The employer agrees to pay the full premium of term life insurance plan for each employee, face value of fifty thousand dollars (\$50,000) while employed or laid off for a period not to exceed one (1) year.

ARTICLE 41. UNEMPLOYMENT INSURANCE

The employer agrees to provide through the services of the Michigan Employment Security Commission, Unemployment Insurance coverage for all employees under this contract.

ARTICLE 42. EQUALIZATION OF OVERTIME HOURS

DEPARTMENT OF PUBLIC WORKS/UNDERGROUND UTILITIES

The city shall attempt to equalize overtime as nearly as practical among employees holding like job classifications. Whenever overtime is required, the person with the least number of overtime hours in that classification will be called first, and so on down the list in an attempt to equalize the overtime hours. For the purpose of this clause, time not worked because the employee was unavailable or did not choose to work will be charged the maximum number of hours of any employee working during that period. On July 1 of each year, the accumulation of hours for all employees will be reduced to zero and the list commenced again with no transfer of accumulated hours from year to year. Employees newly entered in a group as a new hire, a transfer or promoted employee, shall be credited with the average number of hours of the equalization group which he/she enters. Any discrepancies or inequities in the equalization process shall be remedied by scheduling overtime hours to be worked.

(a) It is understood and agreed that an employee working on a job at the end of a shift upon which job overtime is required that day shall be given the first opportunity to work such overtime notwithstanding any provision of this agreement to the contrary.

(b) In the event that overtime work is required the employer shall, by classification low overtime hours first, request employees of each classification necessary to work.

(c) An employee accepting overtime must accept all hours offered unless otherwise excused by the employer.

(d) Employees shall be personally contacted for such overtime work by the department supervisor whose word shall be conclusive as to whether contact was or was not made, and overtime accepted or not accepted.

WATER FILTRATION PLANT/WASTEWATER TREATMENT PLANT

Overtime hours shall be divided as equally as possible among qualified employees in their department. An up-to-date list showing overtime hours will be posted in a prominent place in each department. When overtime is required, the person with the least number of overtime hours in that classification will be called first, and so on down the list in an attempt to equalize the overtime hours. For the purpose of this clause, time not worked because the employee did not choose to work, will be charged the average number of hours the employees working during the call-out period (one hour minimum). Should the above method prove to be unsatisfactory, the parties agree to meet and work out a solution.

ARTICLE 43. TRAINING PROGRAM

Employees participating in job-related courses directed toward state licensing shall be allowed time off without loss of pay for the purpose of attending such training courses. It is further agreed that the employer will pay tuition and cost of books and mileage for such approved courses. The employer shall schedule the attendance of these training programs so that all employees will have an equal opportunity to attend, according to seniority. Training classes must be approved by the employer.

ARTICLE 44. HUMANITARIAN CLAUSE

All parties recognize their responsibilities under the Americans with Disabilities Act and Family Medical Leave Act. All provisions shall be subject to the accommodations required by those acts.

ARTICLE 45. EMPLOYER RIGHTS

Rights: (a) Except as in this agreement otherwise specifically and expressly provided, the employer retains the sole and exclusive right to manage and operate all of its operations and activities. Among the rights of management, included only by way of illustration and not by way of limitation, is the right to determine all matters pertaining to the services to be furnished and the methods, procedures, means, equipment and machines required to provide such service; to establish the nature and number of facilities and departments to be operated and their location; direct and control operations; to maintain order and efficiency; to continue and maintain its operations as in the past; to study and use improved methods and equipment, and in all respects to carry out the ordinary and customary functions of management provided, however, that these rights shall not be exercised in violation of any specific provision of this agreement.

(b) Except as in this agreement otherwise specifically and expressly provided, the employer shall also have the right to hire, promote, assign, transfer, suspend, discipline, discharge for just cause, layoff and recall personnel; to establish reasonable work rules and to fix and determine reasonable penalties for violations of such rules; to make judgments as to ability and skill; to determine work loads, to establish and change work schedules, to provide and assign relief personnel, provided, however, that these rights shall not be exercised in violation of any specific provision of this agreement.

ARTICLE 46. UNION RESPONSIBILITY

(1) The union agrees that its members who are employees of the city will perform efficient service, will use their best efforts to protect the property and interest of the employer, and will cooperate with the employer in performance of their duties.

(2) Will abide with employer's reasonable rules and regulations that do not conflict with this agreement. All rules will be posted before adoption. Any change and amendments will be posted.

ARTICLE 47. NO STRIKES

Section 1. The city will not lock out employees during the term of this agreement.

Section 2. Under no circumstances will the union cause or permit a strike against the city during the term of this agreement. In the event of a strike, the city shall not be required to negotiate on the merits of the dispute which gave rise to the strike until the strike has ceased.

In the event of a strike, the union, by its officers, agents, and shop stewards, shall immediately declare such strike to be unauthorized, in writing, to the employees and order said employees, in writing, to stop the strike and resume work. Copies of such written notices shall be served upon the city simultaneously. The union agrees further to cooperate with the city to remedy such situation by immediately giving written notice to the city and the employees involved declaring the said conduct is unauthorized and directing the employees to return to work. In the event that the union in any such situations performs the obligations of this paragraph in good faith, and has not authorized such conduct, it shall not be liable in any suit, in any court, for money damages caused by said violation. The city shall have the right to discipline, up to and including discharge, any employee who instigates, participates in or gives leadership to any activity herein prohibited.

ARTICLE 48. WAIVER

(a) 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 waive 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.

(b) The provisions of this agreement can be amended, supplemented, rescinded, or otherwise altered only by mutual agreement in writing hereafter signed by the parties hereto.

ARTICLE 49. TERMINATION AND MODIFICATION

This agreement shall continue in full force and effect until April 30, 2022.

(a) If either party desires to amend and/or terminate this agreement, it shall, sixty (60) days prior to the above termination date, give written notification of same.

(b) If neither party shall give such notice, this agreement shall continue in effect from year to year thereafter, subject to notice of amendment or termination by either party, on sixty (60) days' written notice prior to the current year's termination date.

(c) If notice of amendment of this agreement has been given in accordance with the above paragraphs, this agreement may be terminated by either party on ten (10) day's written notice of termination.

(d) Any amendments that may be agreed upon shall become and be a part of this agreement without modifying or changing any of the other terms of this agreement.

(e) Notice of Termination or Modification. Notice shall be in writing and shall be sufficient if sent by certified mail, addressed, if to the union, to Michigan Council #25, AFL-CIO, Lansing, Michigan, and if to the employer, addressed to City Hall, 301 W. Main St., Owosso, Michigan, or to any such address as the union or the employer may make available to each other.

APPENDIX "A"

Retirement

RETIREMENT OPTION A:

(a) Bargaining unit members hired prior to July 1, 2005 shall have the option to remain in the employer's current defined benefit pension plan adopted by City Council ordinance, City of Owosso Employee Retirement System (Chapter 2, Administration, Article VII, Municipal Employees' Pensions, of the Code of Ordinances of the City of Owosso, Michigan, effective November 4, 2003, as amended) or convert to an Option B Defined Contribution plan available to employees hired after July 1, 2005.

(b) For those employees hired prior to July 1, 2005 who remained in the City's defined benefit plan, their retirement plan will be administered by MERS as soon as practicable. Benefits shall be the terms of the City Ordinance in effect at the date of ratification of the 2019 Collective Bargaining Agreement, or the MERS equivalent plan, whichever results in the greater benefit. The exception is that the City's retirement plan (defined benefit pension) allowing nine (9) months in the last year of service to count as one year (12 months) of service will no longer be in

effect. The City shall maintain and make available the ordinance for reference regarding potential questions about the terms of the ordinance.

(c) Vacations, sick leave, life insurance, hospitalization insurance and all other benefits shall terminate at the date of the employee's retirement as defined by Employers' Retirement Ordinance of the City of Owosso.

(d) Bargaining unit members shall have the option of retiring at age fifty-five (55) with twenty-five (25) years of service with the City of Owosso. The retirement benefits shall be Final Average Compensation (FAC) times 2.5% times (x) years of credited service, total benefit not to exceed 80% of FAC. A post-retirement benefit increase shall be provided in accordance with Chapter 2, Administration, Article VII, Municipal Employees' Pensions, of the Code of Ordinances of the City of Owosso, Michigan, effective November 4, 2003, as amended). For employees with less than twenty-five (25) years of service, retirement eligibility shall be age sixty (60) with ten (10) years vesting. Retirees will receive a 1.4% non-compounding cost of living adjustment (COLA) for the first 10 years in retirement effective January 1st, after the retiree has been on pension payroll at least 12 months. As non-compounding, COLA is based on the original retirement amount and the same increase is added each year. After the addition of 10 years of COLA increases, retirement benefits remain at that level thereafter.

(e) FAC shall include all taxable income, such as regular wages, including temporary transfers and training time, overtime, standby pay, vacation and sick time and longevity, taken, earned and paid out, holiday, bereavement, jury duty, clothing allowance, bonuses, health care opt-out and workers compensation payments, miscellaneous earning and license bonuses. The only exception to inclusion of the FAC is non-taxable amounts, such as reimbursement for expenses paid based on receipts.

(f) Bargaining unit members hired prior to July 1, 2005 have the option of converting to Option B Defined Contribution plan available to employees hired after July 1, 2005.

(g) It is specifically agreed that each employee's annual retirement contribution cost shall be six percent (6%) of their gross annual compensation. The employer shall be responsible for any required contribution above the employee's six percent (6%). The employee's contribution shall be made by payroll deduction.

(h) All current and future members of the bargaining unit shall be members in the retirement system describe in Appendix (A), Option A or Option B in this agreement and subject to the terms and conditions detailed herein.

RETIREMENT OPTION B:

(a) Bargaining unit members hired after July 1, 2005, shall participate in a defined contribution pension program.

(b) Vacation, sick leave, life insurance, hospitalization insurance and all other benefits will terminate at the date of the employees' retirement.

(c) Employees shall contribute six percent (6%) of their gross annual salary to their account.

(d) The employer shall contribute four percent (4%) of the employee's gross annual salary to the employee's defined contribution pension account.

(e) Employees are one hundred percent (100%) vested in their contributions.

Employees shall become vested in the employer's contributions in accordance with the following schedule:

50% upon completion of two (2) years of completed service

60% upon completion of three (3) years of completed service

70% upon completion of four (4) years of completed service

80% upon completion of five (5) years of completed service

90% upon completion of six (6) years of completed service

100% upon completion of seven (7) years of completed service

(i) All current and future members of the bargaining unit shall be members in the retirement system describe in Appendix (A), Option A or Option B in this agreement and subject to the terms and conditions detailed herein.

APPENDIX "B"

Longevity

Years of Continuous Service Completed

0 - 4	None
5 - 10	\$400.00
11 - 15	500.00
16 - 20	600.00
20 - 24	700.00
25 - 29	800.00
30 & Over	900.00

Longevity will be paid yearly on or about the anniversary date of employment.

Longevity commences on completion of the fourth year.

The first longevity payment will be made on completion of the fifth (5th) year of employment.

In the case of death or retirement, the longevity payment will be prorated to the date of death or retirement of the employee.

APPENDIX "C"

Job Descriptions

The job description study is on file in the office of the Human Resources Director.

APPENDIX "D"

Temporary Employment Status

(a) With respect to the hiring of temporary employees, we agree that the period of their employment will be confined to a specific timeframe, not to exceed 180 days during the year.

(b) It is understood that the provisions of this agreement do not apply to these temporary or seasonal employees.

(c) The employer agrees that co-op students will not be used to displace regular full-time employees and will not be used to circumvent the payment of overtime.

APPENDIX "E"

Personal Leave

(a) The employer will grant thirty-two (32) hours per year personal leave, not deductible from sick leave. Such leave shall be non-accumulative and must be approved in advance by the employer.

(b) Any employee wishing a personal leave day shall submit a written request to his/her supervisor at least forty-eight (48) hours in advance, except in the case of an emergency.

If the employee is unable to submit a written request at least forty-eight (48) hours in advance, because of an emergency, the employee shall fill out a written request immediately upon return to work from such leave.

(c) An employee working in a seven (7) day operation that is scheduled to work on a holiday may request permission to take a personal leave day on the holiday. Such request is subject to employer approval after consideration of the employee's reason for the request and plant scheduling requirements only. Such time shall not be charged against the employee's personal leave and the employee will receive eight (8) hours holiday pay at straight time pay. Any denial of said request shall not be subject to the Grievance Procedure by the employee and/or the union.

APPENDIX "F"

Union Office Space

The city will provide space for a filing cabinet, to be procured by the union, at the city garage.

APPENDIX "G"

Paychecks & Uniform Allowance

(a) During the life of this agreement, the payroll shall be kept on a bi-weekly basis. Paychecks will be issued every other Friday by 3:30 p.m., except whenever possible and when paychecks are available, the employer will make every attempt to issue paychecks on every other Thursday by 3:30 p.m. It is mutually agreed and understood between the parties that when and if paychecks are not issued on Thursdays, this shall not be grounds for a grievance or any other charges which might be brought by the union or employees.

If the employer should find that this practice is not satisfactory or if an increase in absenteeism is noted, then payday will be back to Fridays in accordance with the current labor agreement at the sole discretion of the employer.

(b) Uniform allowance: The city agrees to pay each employee seven hundred dollars (\$700.00) on the first regular payroll check issued during the pay period in the month of September.

Employees shall report to work dressed appropriately for the existing weather conditions (i.e. rainy day - raincoat, boots, etc.).

APPENDIX “H”

Classifications & Rates

Effective upon ratification of both parties

Classifications	Start	Probation	After 1 year of service
Plant Master Mechanic	\$ 19.22	\$ 19.54	\$ 21.26
Master Equipment Mechanic	\$ 19.22	\$ 19.54	\$ 21.26
Collection System Lead Operator	\$ 17.92	\$ 18.22	\$ 20.08
Plant Lead Operator	\$ 18.73	\$ 19.04	\$ 21.33
Lead Operator	\$ 18.73	\$ 19.04	\$ 20.08
City Arborist	\$ 18.20	\$ 18.96	\$ 20.77
Building/Concrete Trades Specialist	\$ 18.20	\$ 18.96	\$ 20.77
Water Distribution Foreman	\$ 19.24	\$ 20.07	\$ 21.54
Skilled Operator	\$ 17.30	\$ 17.62	\$ 19.27
Operator/Mechanic (WWTP)	\$ 17.17	\$ 17.47	\$ 19.75
Plant Shift Attendant	\$ 17.17	\$ 17.47	\$ 19.75
Custodian/Laborer	\$ 16.54	\$ 16.80	\$ 18.44
Equipment Mechanic	\$ 18.02	\$ 18.36	\$ 20.03

Effective April 1, 2020

Classifications	Start	Probation	After 1 year of service
Plant Master Mechanic	\$ 19.60	\$ 19.93	\$ 21.68
Master Equipment Mechanic	\$ 19.60	\$ 19.93	\$ 21.68
Collection System Lead Operator	\$ 18.28	\$ 18.59	\$ 20.48
Plant Lead Operator	\$ 19.11	\$ 19.42	\$ 21.76
Lead Operator	\$ 19.11	\$ 19.42	\$ 20.48
City Arborist	\$ 18.56	\$ 19.34	\$ 21.18
Building/Concrete Trades Specialist	\$ 18.56	\$ 19.34	\$ 21.18
Water Distribution Foreman	\$ 19.62	\$ 20.47	\$ 21.97
Skilled Operator	\$ 17.64	\$ 17.97	\$ 19.66
Operator/Mechanic (WWTP)	\$ 17.51	\$ 17.82	\$ 20.14
Plant Shift Attendant	\$ 17.51	\$ 17.82	\$ 20.14
Custodian/Laborer	\$ 16.87	\$ 17.13	\$ 18.81
Equipment Mechanic	\$ 18.38	\$ 18.72	\$ 20.43

Effective April 1, 2021

Classifications	Start	Probation	After 1 year of service
Plant Master Mechanic	\$ 19.99	\$ 20.33	\$ 22.11
Master Equipment Mechanic	\$ 19.99	\$ 20.33	\$ 22.11
Collection System Lead Operator	\$ 18.65	\$ 18.96	\$ 20.89
Plant Lead Operator	\$ 19.49	\$ 19.81	\$ 22.20
Lead Operator	\$ 19.49	\$ 19.81	\$ 20.89
City Arborist	\$ 18.93	\$ 19.73	\$ 21.60
Building/Concrete Trades Specialist	\$ 18.93	\$ 19.73	\$ 21.60
Water Distribution Foreman	\$ 20.01	\$ 20.88	\$ 22.41
Skilled Operator	\$ 17.99	\$ 18.33	\$ 20.05
Operator/Mechanic (WWTP)	\$ 17.86	\$ 18.18	\$ 20.54
Plant Shift Attendant	\$ 17.86	\$ 18.18	\$ 20.55
Custodian/Laborer	\$ 17.21	\$ 17.47	\$ 19.19
Equipment Mechanic	\$ 18.75	\$ 19.09	\$ 20.84

The “After 1 Year Service” rate would apply during the four (4) week trial period for a position if filled by internal promotion or transfer.

Shift Premium: An additional \$0.25/hour for 2nd shift; \$0.50/hour for 3rd shift; and \$0.75/hour for swing shift. The premium shall be paid for all who actually work the scheduled shift, as specified below:

1st – 7am-3pm 2nd – 3pm-11pm 3rd – 11pm-7am

\$1,000.00 signing bonus upon ratification by both parties.

Bargaining unit employees may receive annual bonus payments by obtaining and maintaining the state licenses or certifications listed below. Maintaining the below listed state licenses or certifications shall be the employee's sole responsibility.

<u>State License/Certification</u>			<u>Annual Bonus Amount</u>
<u>Filtration</u>	<u>Sewage</u>	<u>Water Dist./Street</u>	
F-1	A	S-1	\$1,500.00
F-2	B	S-2	1,125.00
F-3	C	S-3	750.00
F-4	D	S-4	375.00

Master Equipment Mechanic (requires minimum of state issued Motor Vehicle Maintenance Certificate) \$1,000.00

Equipment Mechanic (requires minimum of state issued Motor Vehicle Maintenance Certificate) \$1,000.00

Building/Concrete Trade Specialist (requires minimum Residential Builders License) \$1,000.00

Arborist (requires International Arborist Certification) \$1,000.00

(a) The annual bonus payment shall be paid the last regular payroll check issued in September.

The employee shall be responsible for submitting to the Human Resources Department proof of state license/certification prior to the last pay period in September to be eligible for payment of the bonus.

(b) During the life of this agreement, any new employees hired holding or obtaining any of the above mentioned state licenses/certifications shall not receive the annual bonus payment until after successful completion of their probationary period.

APPENDIX "I"

Operator Licenses, Endorsements And/Or Other Certifications

(a) Effective the date of this agreement and during the life of this agreement, the union and the city understand and agree that, as a condition of continued employment, all bargaining unit members must maintain valid operator's licenses, endorsements and/or other certifications which are required by federal and/or state agencies for the lawful operations and driving on public roads of all city vehicles and equipment that are required for their classifications.

(b) Any employee who fails to maintain valid operator's licenses, endorsements and/or other certifications which are required by federal and/or state agencies for the lawful operation and driving on public roads of all city vehicles and equipment may be placed on an unpaid leave of absence for up to 30 calendar days which shall be considered a final notice period. If the employee fails to regain valid operator's license, endorsements and/or other certification which are required by federal and/or state agencies for the lawful operation and driving on public roads of all city vehicles and equipment during the final notice period, the employee may be subject to disciplinary action, up to and including discharge.

(c) Every three (3) years, on or about the employee's date of birth, the city will pay the employee one hundred dollars (\$100.00) upon proof of renewal of the employee's valid State of Michigan Driver's license with a CDL certification Group B with air brakes. Any DPW or Water Distribution Skilled Operator or WWTP Collection System employee may be required, at

management's sole discretion, to have an N-Tank Vehicle endorsement. The employee will be responsible for all costs associated with obtaining and maintaining this license endorsement. The provision applies to any bargaining unit member and shall begin upon the employee's next routine license re-issuance date during the life of this agreement.

APPENDIX "J"

Drug and Alcohol Abuse Policy

(a) During the life of this agreement, it is understood and agreed by the union and the city that bargaining unit employees shall abide by the terms of the City of Owosso's Anti Drug and Alcohol Policy and Procedures not to exceed that which is required by state and federal statutes.

(b) The city reserves the right, based upon a reasonable suspicion, to have appropriate quality assured control test administered to employees to determine usage or being under the influence of controlled substances or alcohol in violation of the Anti-Drug and Alcohol Policy and Procedures. Failure to submit to such test shall be treated as if the employee tested positive. The employee shall be immediately suspended without pay in accordance with the policy and procedures, as well as state and federal statutes and may be further subjected to disciplinary action up to and including discharge. The employer is implementing a zero tolerance drug and alcohol policy, if at any time during the course of employment, an employee tests positive (in excess of the levels established by applicable federal or state regulations or city standards) for drugs or alcohol, during working hours, the employee will be immediately terminated, following test confirmation. All costs associated with any quality assured control test to determine usage or being under the influence of controlled substances or alcohol shall be paid by the employer.

APPENDIX “K”

Section 125 Flexible Spending Account Plan

An employee may elect to have a certain dollar amount transferred from his/her paycheck into a special account to pay for expenses as they occur. This money is taken from the employee's gross pay prior to taxes. The employee saves by not having to pay federal and most state and local taxes, as well as Social Security and Medicare taxes, on the amount he/she set aside. Employees can pay for eligible out-of-pocket health care and dependent care expenses with pre-tax dollars. A flex plan is a Section 125 Plan, which provides tax savings by reducing employee medical premiums and employee elected dollars for out-of-pocket health care expenses and dependent care expenses from the employee's gross salary prior to calculation of federal income and FICA taxes, as allowed under Internal Revenue Code (IRC) Section 125. Each employee's participation is purely voluntary. To enroll an employee must:

1. Complete an Agreement to Participate, this agreement helps the employee determine the contribution to be placed into the flex account during the plan year.
2. Each pay period this amount is deducted from the employee's pay prior to deducting federal income tax and social security tax.
3. As applicable expenses occur, the employee is reimbursed with the monies in his/her account.

To get reimbursed for eligible expenses, the employee submits a reimbursement form and attaches the appropriate receipts. If the charges are applicable according to IRS code, the employee is reimbursed with the funds in his/her account. All applicable charges are defined by

the IRS. Any funds left in the account at year end are lost. There are two types of reimbursement accounts:

1. Medical Reimbursement: This can be used to pay for qualified medical costs and health care expenses that insurance does not pay, as defined under Section 125 of the IRS regulations. An employee may elect to contribute up to \$2,700 in the account in 2019. The maximum contribution will rise or decline in accordance with IRS allowances. Any leftover money will be forfeited.

2. Dependent Care Reimbursement: This can be used to pay for eligible dependent care expenses such as child care for children under age 13 or children who are physically or mentally incapable of self-care and, in some cases, elder care, so that the employee (and his/her spouse, if he/she is married) can work, look for work, or attend school full-time. A single parent or a married couple filing jointly can elect up to \$5,000 per family, while a married person filing separately can elect up to \$2,500. This is a pay as you go account. Reimbursements are not made until funds are available. The child care provider must claim payments as income. Any leftover money will be forfeited.

An employee may change his/her annual election if he/she has a qualified change in status (marriage, birth, adoption, death or divorce). The change in status must correlate with the event and be made within 30 days of the event. Contact Human Resources for more information.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed on
Monday, November 4, 2019.

AMERICAN FEDERATION OF STATE,
COUNTY, AND MUNICIPAL EMPLOYEES
AFFILIATED WITH AFL-CIO, LOCAL 1059:

Don Hamilton
International or Council #25 Representative

Jeff Luff
Local Union Chairman

William J. Brooks
Local Union Committee

[Signature]
Local Union Committee

Thomas Wheeler
Local Union Committee

[Signature]
Local Union Committee

CITY OF OWOSSO:

Christopher G. Enck
Mayor

[Signature]
City Clerk

Jessica B. Unangst
Chief Spokesperson for the City

Approved as to substance: [Signature] 11.4.19
City Manager Date

Approved as to form: [Signature] 11/4/19
City Attorney Date

Approved by City Council: Monday, November 4, 2019
Date