

AGREEMENT

BETWEEN

THE CITY OF ESCANABA

AND



**GENERAL TEAMSTERS
LOCAL UNION NO. 406**

WATER / WASTEWATER UNIT

EFFECTIVE

JULY 1, 2023

THROUGH

JUNE 30, 2026

CITY OF ESCANABA – WATER / WASTEWATER UNIT

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AGREEMENT

THIS AGREEMENT, made and entered into this 1st day of July, 2023, by and between the **CITY OF ESCANABA**, hereinafter referred to as the "Employer" and **GENERAL TEAMSTERS LOCAL UNION NO. 406**, affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, located at Escanaba, Michigan, hereinafter referred to as the "Union".

PURPOSE AND INTENT

The general purpose of the 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 their respective representatives at all levels and among all employees.

ARTICLE 1 **RECOGNITION, SECURITY AND UNION DEDUCTIONS**

Michigan PA 349 of 2012 has invalidated the provisions set forth below in Section 4. The clauses set forth below regarding Union security and other matters rendered illegal shall not be deemed contractually required.

SECTION 1. The Employer recognizes and acknowledges the Union as the exclusive representative in collective bargaining with the Employer for all of the Water and Wastewater Treatment Plant employees that hold positions as listed on Schedule "A", excluding all others.

SECTION 2. Pursuant to and in accordance with all applicable provisions of Act 336 of the Public Acts of 1947, (known as the Hutchinson Act), as amended, the Employer does hereby recognize the Union as the exclusive representative for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment affecting all employees of the Employer included in the bargaining unit herein acknowledged.

SECTION 3. Membership in the Union is not compulsory. All employees, except temporary or part-time employees, have the right, hereby acknowledged, to join and maintain membership in the Union; however, neither party shall discriminate against any employee on the basis of membership or non-membership in the Union. A temporary employee shall be defined as an employee hired for a specific period of employment not greater than six (6) months; and a part-time employee shall be defined as an employee employed for work assigned for an average of not greater than twenty (20) hours per week during any consecutive four (4) week period.

SECTION 4. All employees in the bargaining unit covered by this Agreement shall, as a condition of continued employment, pay to the Union such initiation fee and regular Union dues as may, from time to time, be approved by the membership of the Union, or an amount of money equal to such initiation fee and regular Union dues. All new employees hired in classifications covered by the terms and provisions of the Agreement, and within the bargaining unit defined herein, shall commence payment of such fee and/or dues thirty-one (31) days following the termination of the six (6) month probation period ; and the payment of such fees and/or dues shall be a condition of continued employment. Permanent employees who fail or refuse to perform the requirements set forth herein shall be separated from employment with the City.

SECTION 5. Any provision of this Agreement which may hereafter be found to be, or may hereafter become, invalid under the laws of the United States or of the State of Michigan shall be subject to renegotiation upon the request of either of the parties hereto.

SECTION 6.

- A. During the period of time covered by this Agreement, the Employer agrees to deduct from the pay of any employee governed by the terms and provisions hereof all dues and/or initiation fees of the Union, or amount equivalent thereto, and pay such amount deducted to the Union, provided, however, that the Union presents to the Employer written authorization signed by such employee, allowing such deductions and payments to the Union.
- B. The written authorization for union dues deduction may be revoked only by written notice given to the Union and Employer at least sixty (60) days, but not more than seventy-five (75) days before any periodic renewal date of the authorization.
- C. All new employees hired in classifications covered by the terms and provisions of the Agreement, and within the bargaining unit defined herein who have provided written authorization for the deduction of dues or fees shall commence payment of such fee and/or dues thirty one (31) days following the termination of the six (6) month probation period hereinafter provided.
- D. The Union agrees to indemnify and save the Employer harmless against any and all claims, suits, expenses and other forms of liability in reliance upon this section.

SECTION 7. The City and the union will honor all terms and conditions of this agreement and the rights of the City shall in no way conflict with the terms of this Agreement.

The Union recognizes the prerogatives of the City to operate and manage its affairs in all respects in accordance with its responsibilities and powers of authority. The City has the right to determine when overtime work is required and schedule such overtime. The City reserves the right to discipline and discharge for just cause. The City reserves the right to lay off for lack of work or funds, or the occurrence of conditions beyond the control of the City. The City shall have the right to determine hours and shifts and reasonable schedules of work and the number of employees in any department and to establish the methods and processes by which such work is performed. The City shall have the right to establish, adopt, amend, promulgate and enforce uniform work rules for its departments.

SECTION 8. This Agreement does not in any way abridge the right and responsibility of the citizens of Escanaba, acting either through their elected representatives, or as a group, or singularly, from expressing their will and ideas relative to City policy, administration and financing as set forth in the City Charter and the Michigan Home Rule Act.

ARTICLE 2 **SICK LEAVE**

Article 2 Applies to employees hired prior to 8/1/2014. Employees hired on or after 8/1/2014 should refer to Article 11.5 below.

- A. Sick leave will be accrued for all full-time employees at the rate of twelve (12) days per year during the term of this Agreement. Unused sick leave shall be allowed to accumulate without maximum limitation.
- B. It shall be the responsibility of the Employer to maintain sick leave records and it shall be the responsibility of each employee to verify the record and notify the Employer if a discrepancy is noted. The Employer shall disclose to any employee the amount of unused sick leave credited to such employee, upon the request of the employee.
- C. An employee shall be credited for accrued sick leave on the first day of each month following the date of the commencement of employment
- D. Employees retiring from the City's service under the City's retirement plan will be compensated for unused, accumulated sick leave in accordance with the following formula:
 - All unused sick leave accumulated over and above 500 hours shall be paid at one-half (½) of the employee's hourly rate at the last day worked, not to exceed \$1,800.
- E. Each department head will be responsible for approving sick leave, and he or she may do so only for valid reason, and after an employee informs him or her of his intention not to report to work. Each employee shall be responsible to notify his department head of their intended absence, unless such employee is hospitalized, or otherwise unable to tender such notification. Written verification of illness by a physician shall constitute sufficient showing of valid reason for absence due to illness; however, the lack of such verification shall not, in and of itself, be evidence of abuse of sick leave.
- F. The department head responsible for approving sick leave may require a doctor's examination for any employee requesting sick leave. The cost of such examination shall be paid by the City; and if upon such examination the examining doctor should determine the employee to be fit for duty, the employee will report for duty or be taken off sick leave, except, however, that any dispute arising hereunder shall be subject to grievance and arbitration procedure hereinafter set forth. If the employee is found to be fit for duty, the cost of such examination will be paid for by the employee. If the employee's doctor has a conflicting diagnosis, the City will continue to pay for the medical exam.

ARTICLE 3
BEREAVEMENT LEAVE/PERSONAL DAY

- A. **BEREAVEMENT LEAVE:** Bereavement leave will be granted in the event of a death in the immediate family, the immediate family being defined as follows: spouse, mother and father of spouse, mother and father of employee, children of employee, stepchildren of the employee, brothers and sisters of employee, brothers-in-law and sisters-in-law, grandmother and grandfather of employee, stepmother and stepfather of employee, sons-in-law and daughters-in-law, and grandchildren of the employee. Leave granted in the event of a death in the immediate family shall not be deducted from paid leave and shall be paid at the employee's regular rate. Duration of such leave shall not exceed more than five (5) days and must be utilized within two (2) weeks from the date of death. However, an employee may supplement funeral time-off with other forms of accrued banked leave, excluding sick leave.

Article 3(B) Applies to employees hired prior to 8/1/2014. Employees hired on or after 8/1/2014 should refer to Article 11.5 below.

- B. **PERSONAL DAY:** Each employee will be granted two (2) "personal days" per fiscal year, which can be accumulated to no more than 4 days total. Advance notice (prior to the day it will be utilized) is required, except in the case of an emergency, as it will assist department heads in their scheduling functions.

Department heads are urged to make every effort to allow employees the use of the time as requested. However, if the granting of a personal day results in staffing below minimum requirements, they should deny the request.

ARTICLE 4
LEAVE OF ABSENCE

- A. Leave of absence may be obtained with the written permission of the City Manager for a period not to exceed one (1) year. The City Manager shall be the sole determiner of the necessity of the request for leave of absence, and his decision will be based on the value of the employee to the City, departmental needs and the purpose of the request.
- B. Limited leave or time off without pay may be granted by the department head, if such approval will not impair the efficiency of the department, and providing such leave will not exceed forty (40) working hours.

ARTICLE 5
MILITARY LEAVE

Military Leave shall be granted to present employees according to applicable State and Federal Laws.

ARTICLE 6
JURY DUTY LEAVE

- A. An employee will be excused from work for jury duty and will be compensated at his or her regular rate of pay, less the amount received for serving as a juror, for all hours during which the employee is absent from work during his or her regular working hours as the result of such duty. The employee may choose to take annual leave if he or she desires, and retain all of his jury duty pay.
- B. Employees assigned to the second shift, who do not attend work for any day that the employee has been selected for jury duty, shall receive compensation at the regular rate. Being called for duty, but not actually serving will not relieve an employee of their obligation to work their full shift. If an employee chooses to attend a portion of their shift on a day in which they have served on jury duty, they will not be entitled to any additional compensation beyond their "regular pay."

ARTICLE 7
SENIORITY

- A. Seniority shall be defined for the purpose of this Agreement as the net credited service of the employee within the bargaining unit to which he or she is assigned (see D. below). Net credited service shall mean continuous employment within the bargaining unit beginning with the date and hour on which the employee began to work after last being hired, less deductions for leave of absence or unauthorized absences, plus paid sick time, time off compensated by Workers' Compensation, time off due to service in the Armed Forces of the United States and other, authorized paid time off.
- B. New employees will be considered probationary employees for a period of not less than six (6) months, and up to one (1) year (see paragraph C. below), from the date of initial, continuous, full-time employment. An employee may be terminated at any time during the trial service period by the City Manager without the right of appeal or a hearing. During this probationary period, the employee will not be a Union member. Those employees who transfer into the unit from another City bargaining unit, or from a City non-union position, shall be deemed probationary, but shall not be subject to the "at-will" provisions of this section (also see Section M below). Such employees would however be subject to discharge for cause.
- C. An employee's probation may be extended for another, consecutive period of six (6) months, for good cause, and upon written notice to the employee and Union, and in such cases, the provisions of Paragraph A and B above will apply throughout this extended period. Written notification, in such instances, shall be provided ten (10) days prior to expiration of the initial probationary period.
- D. Seniority shall be on a bargaining unit basis and the Employer will post departmental seniority lists annually. For the purpose of this provision, job classifications within the bargaining unit shall be assigned as shown by the attached Schedule A. Employees who transfer into the bargaining unit from other City bargaining units, or from non-union positions, shall carry forward seniority only for purposes of determining fringe benefits.

- E. In the event of layoff in the bargaining unit, employees shall be laid off in inverse order of seniority in that classification (see Schedule A), the employee in the affected classification, with the least seniority in that classification, being the first laid off. Also see (I) below. Recall shall be on the basis of seniority, the last employee laid off to be the first recalled assuming that the recalled employee is qualified to do the work.
- F. Employees laid off without misconduct on their part, and who request in writing within two (2) years after separation, shall have their names placed on either or both a general re-employment or department re-employment list, at the option of the employee. The rank of such employees on the list shall be determined by a combined rating, giving equal consideration to efficiency as demonstrated on the job and length of service with the Employer. The seniority and eligibility of all candidates on re-employment lists shall expire two (2) years from the date of separation. No employee who seeks to exercise the options herein provided shall be deemed thereby to have waived his seniority or any right to recall otherwise herein provided.
- G. Employees who were laid off and obtained other City jobs, either through bumping or through the general employment lists, will have first right of refusal on their previous positions, if and when the position is reinstated.
- H. Existing employees who obtain a new position, either through bidding, promotion, bumping, or the general reemployment list, will retain their current wage step for purposes of determining the wage to be paid for their new position. Any such employee, who is not at top step, shall be eligible for a step increase on the July 1st immediately following the transfer.
- I. In the event of a layoff, employees will be allowed to cross-bump into other positions within the bargaining unit, if their job descriptions are similar, or the qualifications are less. Employees exercising this bumping right will be given two (2) weeks to demonstrate their ability to perform the required work.
- J. An employee shall lose his seniority for the following reasons only:
 - 1. He or she quits;
 - 2. He or she is discharged and the discharge is not reversed through the procedures set forth in this Agreement;
 - 3. He or she is absent for three (3) consecutive working days without notifying the Employer and fails to show good cause for such lack of notification to the Employer, who shall send written notice to the employee at his last known address that he or she has lost his seniority, and that his employment has been terminated;
 - 4. He or she does not return to work within seven (7) days of mailing of written notice of recall by the Employer to the employee's last known address and fails to show good cause therefore; and

5. A dispute arising as a result of the loss of any employee's seniority pursuant to the provisions of this subsection shall be subject to the grievance procedures hereinafter established, including arbitration.
- K. An employee who is injured while on duty shall continue to accumulate seniority during their absence due to such injury, and shall be reinstated upon recovery to their former position with full seniority, provided the employee is physically qualified to return to work. However, if the employee has not returned to work after one year from the date of the medical diagnosis of injury, the employee will not continue to accumulate seniority. Employees will be able to return to their former position if they return to work within one (1) year from the date of injury. If after one year the employee has not returned to work, they will be placed upon a preferred eligibility list for rehire and offered the next open position.
- L. Seniority will be a factor for consideration in selecting an employee for promotion in bargaining unit. The other two factors will be ability and qualifications. The department head will make the choice among the top three (3) candidates for the promotion, as determined by seniority, ability and qualifications.
- M. Employees assigned to vacancies or new positions will be given a reasonable opportunity, not to exceed six (6) months, to demonstrate their qualifications and ability to fill such vacancies or positions. If the employee transfers within this unit and is unable to qualify for the new position, he or she shall be returned to his original classification, with no loss of seniority in the original classification, provided the original classification has not been deleted and provided further that if the original classification has been deleted, the employee may exercise his seniority rights to any other classification in the unit or department, except that if the employee is unable to qualify for the next job classification to which he or she chooses to exercise his seniority rights, his employment may be terminated. An existing City employee who transfers into this bargaining unit from another unit, or from a non-union position, shall not have reinstatement rights, under this provision, to a previously held position, unless such rights are provided for in the labor agreement with the preceding bargaining unit, or in the case of a non-union employee, reinstatement shall be at the sole discretion of the City Manager.
- N. Reclassification: When an employee's position expands in job duties and responsibilities, consideration will be given to reclassify the employee to a higher classification.
- O. The Employer shall notify the Union, in writing, of the hiring, promotion, demotion, transfer, reclassification or termination of any employee covered by this Agreement, and such notice shall include the rate of pay of such employee or any change thereof.
- P. Prior to any long-term layoffs, the Union will be given an opportunity to comment on the method and effects of any such layoffs; provided, however, that failure to reach specific agreements on said layoff will not prevent the Employer from initiating the layoff procedure according to the provisions contained in this Contract. However, the City will not subcontract any work which would cause the layoff of any bargaining unit employee.

Q. Job openings will be posted and filled as follows:

Job openings for positions within the bargaining unit will be posted first within the unit and made available to unit members before being made available to other employees of the City and to the general public. If three (3) or more qualified unit members apply for the open position, then the City shall appoint one (1) of the unit member applicants to fill said vacancy.

If fewer than three (3) qualified unit members apply for a position, then the City shall have the option to post the position to other City employees. If three (3) or more qualified City employees apply for an open position, then the City shall appoint one (1) applicant to fill said vacancy.

If fewer than three (3) qualified City employees apply for a position, then the City shall have the option to post the position to the general public.

ARTICLE 8

GRIEVANCE AND ARBITRATION

A. Grievances within the meaning of the grievance procedure and of this arbitration clause shall consist only of disputes about the interpretation or application of particular clauses of this Agreement. Neither party shall be obligated to negotiate on any grievance.

B. **STEP 1.** Any employee who believes he or she has suffered a grievance shall, within eight (8) calendar days thereafter, with his steward, discuss the matter with his or her Department Head in an attempt to arrive at a satisfactory settlement. The Department Head shall make his or her decision and, within eight (8) calendar days thereafter, advise the employee of said decision.

STEP 2. If no satisfactory settlement is reached at Step 1, the grievance shall be reduced to writing, shall be presented by the steward to the Department Head within seventeen (17) calendar days of the Employer's decision under step one. If no agreement is reached by the parties, the Employer shall advise the Union and the aggrieved employee, in writing, as to the position of the Employer within seventeen (17) calendar days of having received the written grievance.

STEP 3. Within thirty (30) calendar days of the Employer advising the Union that the matter cannot be resolved as described above, either party shall have the right to request, in writing, binding arbitration. Either party may ask the Michigan Employment Relations Commission to submit a list of persons eligible to serve as arbitrators. If, within seventeen (17) calendar days from the receipt of the list, the parties have not agreed on a single arbitrator, such arbitrator shall be appointed by the Michigan Employment Relations Commission. In rendering a decision, the arbitrator will confine him or herself to the terms and conditions delineated in the Agreement. The rules of the Michigan Employment Relations Commission shall prevail in the proceedings.

- C. The grievant and the Steward of jurisdiction may attend the arbitration proceedings during their regular work hours without the loss of pay. If, however, the grievant has been terminated, the grievant will not receive pay. Under no circumstances will services be stopped, slowed or otherwise impaired while said proceedings are underway.
- D. Each party will bear the expense of its representative. The expense of the arbitration shall be equally divided between the Union and the Employer. There shall be no suspension or refusal to handle work during the negotiations or arbitration.
- E. By mutual agreement, mediation may be utilized as an intermediate step towards grievance resolution.

ARTICLE 9
WAGE AND PAY PERIODS

- A. Annual increments shall take effect on the first day of each fiscal year. New employees hired prior to the first day of January in any fiscal year shall be eligible to receive an increment on the first day of the next succeeding fiscal year.
- B. New employees hired on or after the first day of January in any fiscal year shall not be eligible to receive an increment until the first day of the second succeeding fiscal year.
- C. No employee shall receive an increment which would result in his receiving an annual salary in excess of the maximum of the salary grade to which his position is allocated.
- D. The City retains the option of advancing step increments based on the experience of employee and the needs of the City. The step increment will be advanced at the date of hire or at the end of six (6) months. Under no circumstances will advancements be made after six (6) months.

ARTICLE 10
HOLIDAYS

- A. Holiday Defined:
 - 1. Full Holiday: When used herein, the term "full holiday" shall mean a full twenty-four (24) hours, commencing at 12:00 Midnight of the eve of the holiday and ending at 12:00 Midnight on the night of the holiday.
 - 2. Half Holiday: When used herein, the term "half holiday" shall mean a period of twelve (12) hours commencing at 12:00 noon of the holiday and ending at 12:00 Midnight on the night of the holiday.

- B. Conditions for Granting Pay on Holidays: Employees shall receive no pay for holidays unless they work their scheduled work days preceding and succeeding such holiday, unless the employee is on approved paid time off or not scheduled to work. All employees shall be entitled to pay for holidays, subject to the conditions contained herein.
- C. The Following Holidays will be Recognized:
1. Full Holiday
New Year's Day (January 1)
President's Day (third Monday in February)
Memorial Day (last Monday in May)
Independence Day (July 4)
Labor Day (first Monday in September)
Thanksgiving Day (fourth Thursday in November)
Day Following Thanksgiving Day
Christmas Eve Day (December 24)
Christmas Day (December 25)
New Year's Eve Day (December 31)
 2. Half Holiday
Good Friday Afternoon
- D. Employees working holidays designated in Section C of this Article will be compensated as follows:
1. Full Holiday: Work during regular shift: Rate - Base rate x 1-1/2 for hours worked + 8 hours holiday pay for full holiday. Not during regular shift hours: Rate - Base rate x 2-1/2 x hours worked.
 2. Half Holiday: The same schedule shall apply as in a full holiday. No employee shall be required to work for more than four (4) hours on any half holiday without receiving holiday pay.
 3. The employees required to work their regular shift on a day off granted in lieu of any holiday in Section C of this Article will be paid at time and one-half (1-1/2x) their regular rate.
- E. Holidays falling on Saturday or Sunday will be observed on those days. Employees not scheduled to work on Saturday or Sunday shall receive eight (8) hours of such time to be used as designated by the City Manager.
- F. If an employee is called out on one of the holidays listed below, they will be paid their base rate X 2½ for hours worked, regardless of whether the hours were during their "regular" shift: New Year's Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.
- G. Employees working their scheduled shift on Easter Sunday will receive an additional four (4) hours of pay.

ARTICLE 11
VACATIONS

Article 11.0 A, C, F and G apply to employees hired prior to 8/1/2014. Employees hired on or after 8/1/2014 should refer to Article 11.5 below.

- A. Vacation time with pay will be granted to all permanent, full-time employees who have completed one (1) year of service; said vacation to be credited to the employee on each anniversary date of City employment.
- B. Vacation or PTO schedules are subject to the approval of the department head who is charged with the responsibility of insuring that vacation or PTO time granted will not seriously impair the operation of his department.

C. Vacation will be granted on the following schedule:

<u>Years of Service</u>	<u>Days Credited</u>
1	6
2 through 6	11
7 through 11	16
12 through 14	18
15 through 20	21
21	22
22	23
23	24
24 through 29	25
30 and over	30

- D. Seniority, along with departmental personnel needs, will be the determining factors in the selection and/or assignment of periods of vacation or PTO to individual employees.
- E. Any employee requesting vacation or PTO leave shall apply at least twenty-four (24) working hours in advance except for particular periods of time when the department head may deem it necessary to prepare schedules covering particular periods of time; said schedules to be prominently posted within the department for at least two (2) weeks.
- F. Employees terminating their City employment will be entitled to pay for the unused and accrued portion of their vacation leave to the last date of their employment. The last date of said City employment is declared to be the last date on which an employee worked a full, eight (8) hour shift.
- G. An employee will not be allowed to accumulate vacation time beyond two (2) years of credited vacation at the regular rate for that employee. Such time lost will not be regained by an employee subsequently using all or a portion of the previously credited vacation time.

The above provisions regarding vacation accrual will not be subject to exception unless:

1. For reasons of efficiency or emergency, the Employer forbids an employee from taking vacation time and there is subsequently insufficient time prior to the employee's anniversary date to prevent the loss of accrued vacation time.
2. Six (6) months prior to the accrual of excess vacation time, an employee remaining on the City payroll obtains a written exception from the City Manager, said exception to be only granted in the best interests of the City.
3. Six (6) months prior to retirement, an employee receives an exception, in writing, from the City Manager.
4. Reasons of health prohibit utilizing vacation during any given year.

ARTICLE 11.5
PAID TIME OFF (PTO)

APPLICABILITY: Employees hired on or after 9/1/2014 shall participate in the City's Paid Time Off (PTO) Plan.

TERMS: Employees participating in the PTO Plan shall receive annual paid leave pursuant to the below schedule. Leave shall be granted and available for use on one's hire date and on each subsequent anniversary date. Employees may carry forward unused PTO in an amount not to exceed 3 times one's current annual allotment.

SCHEDULING: Certain departments have policies for scheduling vacations, in which case, PTO participants are expected to comply with any such policy. In all cases, employees must provide proper notification of time off in accordance with general City policies.

USES: PTO may be used for vacations, sickness, bereavement, and any other purpose for which an employee desires time away from work.

CLASSIFICATION OF TIME: PTO shall be considered time worked for purposes of insurance and retirement eligibility and for purposes of seniority.

PTO AT SEPARATION: Employees shall be paid for up to two years' allotment of their available PTO at separation at the rate of pay then in effect, except as provided for as follows: Employees who are discharged for "Cause" or who quit without giving at least one week notice, shall not be paid for unused PTO at separation from services.

PTO WILL BE GRANTED PURSUANT TO THE FOLLOWING SCHEDULE:

DATE GRANTED	DAYS
HIRE DATE	10
1 ST ANNIVERSARY	12
4 TH ANNIVERSARY	17
8 TH ANNIVERSARY	22
12 TH ANNIVERSARY	25
16 th ANNIVERSARY	30
20 TH ANNIVERSARY	35

ARTICLE 12
HOURS OF WORK, OVERTIME AND PREMIUM PAY

- A. The provisions of this Article are intended to provide a base for determining the number of hours of work for which an employee shall be entitled to be paid at overtime rates and shall not be construed as a guarantee to such employee of any specified number of hours of work, either per day or per week, or as limiting the right of the City to fix the number of hours of work (including overtime) either per day or per week for its employees.
- B. The standard week for computing pay will remain as it has in past practice.
- C. Employees shall be allowed one fifteen (15) minute break during each four (4) hours of work.
- D. Hourly employees working more than five (5) days (40 hours) during a standard week will be paid at a rate of one and one-half times (1-1/2x) their regular hourly rate or rates.
- E. Hourly employees working more than eight (8) hours during any day will be paid at a rate one and one-half time (1-1/2x) the regular hourly rate or rates.
- F. The hours of work in specific shift assignment shall be determined by the department head, shall be posted on the department's bulletin board monthly, and may be adjusted no less than twenty-four (24) hours in advance, or by mutual agreement between a department head and an employee. Volunteers for schedule adjustments made less than two (2) weeks prior to a posted day off will be on the basis of seniority between qualified employees. Should no employees volunteer for a schedule adjustment, the Employer may adjust the schedule as needed in inverse order of seniority.
- G. Employees working on regular shift between the hours of 3:00 p.m. and 7:00 a.m. or 4:00 p.m. and 7:30 a.m. depending on the scheduled shift shall receive shift differential pay of seventy-five cents (\$0.75) per hour.
- H. The Employer in determining which employee or employees to call out will use the seniority call out list for contacting employees.

Any employee who responds to an emergency call by returning to work shall be paid a lump sum (based off the charts below) plus actual time worked at the applicable hourly overtime rate.

WEEKDAY EMERGENCY CALL-OUT RESPONSE	
DATES	PAYMENT
Between 7/1/2023 – 6/30/2024	\$100.00
Between 7/1/2024 – 6/30/2025	\$102.50
Between 7/1/2025 – 6/30/2026	\$105.31

WEEKEND/HOLIDAY EMERGENCY CALL-OUT RESPONSE	
DATES	PAYMENT
Between 7/1/2023 – 6/30/2024	\$150.00
Between 7/1/2024 – 6/30/2025	\$153.75
Between 7/1/2025 – 6/30/2026	\$157.98

Emergency calls responded to on holidays or in-lieu of holidays identified in Article 10, Section D, will be paid according to the applicable chart from above and using the overtime rate specified in Article 10, Sections D and F.

An employee who is called out for an emergency will only be expected to remedy the reason or other issues and service problems related to the original call out. Unrelated additional call outs on the same day will be subject to being treated as a new call out and paid accordingly.

- I. To incentivize employee prioritization of emergency call outs, beginning each July, a review of call outs for the preceding fiscal year will be conducted by the Employer. Employees shall be subject to an annual bonus for call outs responded to by anyone other than the on-duty operator after a failed call out procedure. Call out responses performed by the on-duty operator due to failed call out procedure will negatively impact the percentage calculation. The bonus amount will be based on the overall call out response rate percentage. Said bonus to be paid during the first pay period in August.

CALL OUT RESPONSE RATE	ANNUAL BONUS
97% or higher	\$2,000.00
Between 95% - 96.99%	\$1,400.00
Between 90% - 94.99%	\$1,000.00

- J. Premium pay will be paid for employees working on any Sunday if the Sunday worked is within their regular workweek schedule; said premium pay to be computed as follows:

Regular rate of pay plus one-half (1/2) of this amount for hours worked. This premium rate is not to be figured on overtime pay or on any differential or other premium pay that might be over and above the regular rate of pay normally paid the employee.

- K. Any other employee who undertakes the duties of a higher classification, shall be paid at no less than the minimum rate specified for such higher classification, provided that such employee shall have assumed the duties of said higher classification for three (3) consecutive eight (8) hour working days.
- L. The Employer shall notify the Union immediately in the event that any new classification of employees covered by this Agreement shall be established, in which such event the parties shall establish the wage rate for such new classification by mutual agreement.
- M. In computing hours to be applied in calculating overtime, all excused and paid hours will count as time worked.
- N. Out-of-classification overtime will be by seniority between qualified employees.
- O. Sunday overtime will be paid at double time (2X).
- P. Starting with second shift on Friday, along with all shifts on Saturday and Sunday, vacant operator shifts will be posted for voluntary overtime prior to rearranging operator schedules to fill vacant shifts. Employees voluntarily filling these shifts on overtime must take the day in pay as there will be no compensatory time accrual allowed for accepting these posted voluntary overtime shifts.

ARTICLE 13
DISCIPLINE AND DISCHARGE

- A. An employee may be disciplined or discharged for just cause; provided that a finding by the Employer of just cause for the discipline or discharge of any employee covered by this Agreement shall be subject to the grievance procedure herein above set forth, including arbitration.
- B. Once a year an employee may request a meeting with the City Manager, or his designee, to review the employee's personnel file. Upon mutual agreement, disciplinary records may be expunged. The City decision will not be subject to the grievance procedure.

ARTICLE 14
INSURANCE – HOSPITALIZATION, LIFE, DENTAL

- A. The parties agree to abide by Michigan Conference of Teamsters Welfare Fund's executed Participation Agreement for the duration of this Agreement.

Health insurance coverage for new hires will begin on the first Sunday following their first day of employment. Health insurance coverage will maintain and continue for any eligible employee who transfers into this bargaining unit from another bargaining unit of the Employer, who is already covered by health insurance.

The Employer and the Union agree that at the conclusion of the Health Insurance Participation Agreement(s) and with appropriate notice to the plan provider as contractually specified, the Employer has the right to change health insurance providers and plans provided that such selected plans offered by the Employer afford substantially and materially equivalent health insurance coverage for bargaining unit employees.

- B. The Employee shall reimburse the Employer 20% of the Base Medical Benefit and Prescription Drug Benefit Premium rates pre-tax, per bi-weekly payroll deduction.
- C. During the term of the health plan provider Participation Agreement covering the term of this Agreement, Employer shall contribute to the health plan provider on behalf of covered employees for the following:
 - 1. They are absent from the job due to an on the job injury/illness (i.e. for Workers Compensation) for the lesser of (1) 26 weeks following the week in which the injury/illness occurred, or (2) the duration of the on the job injury/illness related absence;
 - 2. They are absent from the job due to an off the job injury/illness for the lesser of (1) 4 weeks following the week in which the injury/illness occurred, or (2) the duration of the off the job injury/illness related absence;
 - 3. For each week on behalf of a participant who worked or is compensated for any portion of the contribution week;
 - 4. Whose absence from the job is due to military duty for the first 4 weeks following the week in which military duty is commenced;

- E. **EMPLOYEE OPT OUT:** Employees who have submitted an opt out application to the health plan provider with a Certificate of Creditable Coverage shall on written approval, receive pay in lieu of health insurance benefits, otherwise known as “opt out” pay. The amount of opt out pay shall be 40% of the City’s cost for the applicable health policy. Opt out pay shall be calculated net of reductions for mandatory tax payments, i.e. FICA, FUTA, Unemployment Insurance, etc. Opt out amounts shall be established on January 1st of each year and shall remain in effect through December 31st. Opt out pay shall be subject to all terms and conditions contained in the City’s Section 125 plan document. Employees may only opt out of health insurance benefits during the City’s annual open enrollment period, or during a special open enrollment period, or in conjunction with a “qualifying event” as outlined in the City’s Section 125 plan document.

In the event opt out pay is disallowed under Federal or State regulations, opt out employees will be returned to the applicable insurance policy; payments shall cease; and the City shall have no further liability for said payments.

- F. The Employer agrees to furnish, at no cost to Employee, a term life insurance policy in the amount of \$20,000 double indemnity covering Employee only.

ARTICLE 15 **DISABILITY**

- A. An employee may be terminated from his employment in the event he or she becomes disabled as a result of disease, physical ailment or defect which, in the opinion of the City doctor and his department head, makes him or her unfit for the safe or efficient performance of his duties. For the purpose of this provision, disability shall be interpreted as any condition which has caused, or is likely to cause, an employee to be unable to safely and efficiently perform his duties for a period not less than six (6) months. In the event any employee wishes to dispute the findings or recommendation of the City doctor, he or she shall be entitled to obtain and present independent medical evidence, at the employee’s expense. If such independent medical evidence does not support the recommendation of the City doctor, and the dispute or issue raised thereby cannot be resolved to the mutual satisfaction of the employee and the Employer, such dispute or issue shall be subject to the grievance procedures herein set forth, including arbitration.
- B. All employees injured or incapacitated in the actual discharge of their duties, shall receive compensation and medical care in accordance with the provisions of the Michigan Worker’s Compensation Act; and the Employer shall pay, in addition thereto, from the date of injury or incapacity, but not to exceed six (6) months for any one personal injury, a weekly sum equal to the difference between the weekly amount of compensation benefits paid to such employee and the wages payable at the employee’s regular rate of pay for forty (40) hours of work per week; except that this provision shall not apply under the following circumstances.
1. When an employee suffering partial incapacity refuses to accept limited duties within his capacity to perform and at his regular rate of pay;
 2. When employment terminates through death, retirement, or other reasons;
 3. When injury results from the employee’s misconduct.

ARTICLE 16
RETIREMENT

- A. Employees hired prior to 7/1/06 who have attained 25 or more years of credited service and who are at least 55 years old will be eligible for full retirement pay through the Employer's Defined Benefit (DB) retirement program. Retirement benefits shall be as follows:

Final Average Compensation (FAC) is the average of the wages paid during the period of three (3) consecutive years of credited service which produces the highest average. The three (3) consecutive years must be in the last ten (10) years of credited service.

FAC will include unused vacation leave, unused comp. time, unused personal leave and prorated longevity pay paid at retirement, per the provisions of the contract, and in accordance with MERS' rules for the calculation thereof.

The pension benefit multiplier shall be 2.25%.

Pension Benefit Formula:

FAC (average annual earnings of highest consecutive 36 months) X years of service X 2.25% = annual pension (ex. FAC \$60,000 X 25 years of service X 2.25% = \$33,750 annual pension)

Maximum benefit is 80% of Final Average Compensation.

Employees hired on or after 7/1/06 will be required to participate in the City's Defined Contribution Retirement Plan (DC plan). The terms of the DC plan shall be as follows: The City shall contribute an automatic 4% of an employee's gross pay into the plan. The City will match up to an additional 3% pre-tax contribution by the employee. Employees will vest in City contributions one year after the receipt thereof.

- B. All employees who have twenty-five (25) or more years of service or are retiring, shall receive \$100.
- C. Employees who have reached age 55 will be eligible for retirement bonus under the following schedule, upon retirement:

<u>Yrs. of Service</u>	<u>Bonus Payment</u>	<u>Yrs. of Service</u>	<u>Bonus Payment</u>
20	\$300	30	\$525
21	\$320	31	\$525
22	\$340	32	\$525
23	\$360	33	\$525
24	\$380	34	\$525
25	\$400	35	\$525
26	\$425	36	\$525
27	\$450	37	\$550
28	\$475	38+	\$600
29	\$500		

- D. An annual cost of living (COLA) increase will provide a 1% cost of living increase for retired employees. The COLA increase is effective on January 1st of each year and in order for employees to be eligible for a COLA increase, the effective date of retirement must be before August 1st of the preceding year. This provision shall not apply to employees hired after 6/30/06, and shall not apply to employees hired prior to 7/1/06 who have elected the DC plan in lieu of the DB plan.

ARTICLE 17
LONGEVITY PAY

After completing five (5) full years of service as of November 1st, each employee receives annually, on the payday closest to December 1 (to be paid by separate check), longevity pay computed as follows:

<u>Years of Service</u>	<u>Not to Exceed</u>
After 5 years	\$500
After 10 years	\$650
After 15 years	\$750
After 20 years	\$850

ARTICLE 18
COMPENSATORY TIME

- A. Employees may earn and accumulate compensatory time in lieu of overtime pay, at the option of the employee, for a period not to exceed two (2) regular forty (40) hour work weeks, or a total of eighty (80) hours. Compensatory time shall also be credited to an employee while in attendance, outside of regular hours of work, at school or classes which contribute to the improvement of skills or knowledge utilized in the performance of such employee's job duties, upon approval by the City Manager.
- B. Compensatory time credited to employees, in lieu of over-time, shall be credited at the rate of one and one-half times (1-1/2x) the number of overtime hours worked.
- C. Prior approval of the Department Head must be obtained in order to use compensatory time. A notice of twenty-four (24) hours must be given by an employee to his Department Head requesting earned time off. The twenty-four (24) hour notice shall not be a mandate in the event of a proven emergency. A Department Head may grant compensatory time off for less than eight (8) hours at his discretion.
- D. However, it is agreed that the granting of compensatory time off shall not unnecessarily interfere with the efficient operation of the department.

Upon written request, on or before October 15th, the Employer shall provide monetary compensation for compensatory time earned payable on the check for the first regular pay period in November.

ARTICLE 19
FAMILY MEDICAL LEAVE

- A. The Employer shall follow the provisions of Family and Medical Leave Act of 1993, as amended, for all employees.
- B. Qualifying Family Medical Leave Act (FMLA) job-protected leave time off may either be paid, or unpaid. It may be utilized by the employee in consecutive use or used intermittently.
- C. Employees hired on or after 8/1/2014, shall accrue Paid Family Medical Leave time off at a rate of eight (8) hours per month, up to a maximum banked accrual of one hundred sixty (160) hours. Use of this time shall be subject to the restrictions set forth, below.
 - 1. Paid Family Medical Leave time off shall be paid at the employee's prevailing hourly rate of pay.
 - 2. Prior to accessing Paid Family Medical Leave, the employee must first qualify for job protected leave under the Family Medical Leave Act. Use of Paid Family Medical Leave time off is for the illness or injury of the employee, only.
 - 3. To access Paid Family Medical Leave, the employee must have fully exhausted their accrued time off banks of both Paid Time Off (PTO) and Compensatory Time.
 - 4. Employees shall vest in Paid Family Medical Leave after one (1) year of employment. Employees who were hired between 8/1/2014 and 7/1/2023 will receive vesting credit for all service time with the Employer as of their seniority date.
 - 5. Paid Family Medical Leave will not be paid out to the employee upon any separation of employment.
 - 6. While on qualifying Paid Family Medical Leave time off, the employee shall continue to receive all fringe benefits contained within this Agreement.

ARTICLE 20
GENERAL PROVISIONS

- A. In the event that a dispute arises regarding past practice or custom and either party asserts that such past practice or custom constitutes a part of this Agreement, any dispute or issue arising as a result of such claim shall be subject to the grievance procedure herein above set forth, including arbitration.
- B. All existing administrative regulations governing City policy will remain in effect and future administrative regulations which may from time to time be adopted. Said regulations are not to conflict with the provisions of this Agreement.

- C. No person in the City classified service or seeking admission thereto shall be appointed, demoted or removed, or be in any way favored or discriminated against because of his political or religious opinions or affiliations or national origin.
- D. All employees governed by this Agreement shall maintain a residence within 20 miles from the corporate City Limits of Escanaba.
- E. If any Article or Section of this Agreement or any Supplements thereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal, the remainder of the Agreement and Supplements shall not be affected thereby, and the parties shall enter into immediate collective bargaining negotiations for the purpose of arriving at a mutually satisfactory replacement for such Article or Section.
- F. It shall be expressly understood by both parties that this Contract may be revised, amended or otherwise altered to include new agreements, or affect changes in the existing contract language, when mutually agreed upon by the Union and the Employer.
- G. It shall not be obligatory on either party to reopen negotiations during the agreed-upon period for effectuation of this Contract except as specified in Article 14, Section B.
- H. Words which impart one gender shall be applied to either gender where appropriate.
- I. Sewer and Sanitation employees will be furnished with coveralls with the understanding that they will wear them at all times while on duty.
- J. Employees will be required to comply with the provisions of the Michigan Commercial Driver's License requirements. Employees will be required to possess a valid driver's license and the appropriate endorsement (group designation) for the vehicle they are required to drive.

Fees for the renewal of the regular driver's license will be the responsibility of the employee. Any fees for required endorsements (designations) will be paid for by the Employer.
- K. A City Safety Committee will be formed and a Water/Waste Water employee will serve on this committee.
- L. Safety Shoes and Clothing. All employees designated by the City will be required to wear designated and approved safety toed shoes/boots and Class III clothing at all times. To help defray the cost of said boots, clothing, and prescription safety glasses, the City will reimburse those designated employees up to two hundred fifty dollars (\$250.00) every calendar year, toward the purchase of such footwear, clothing, and prescription safety glasses. Water Distribution crew employees will be reimbursed by the City up to five hundred dollars (\$500.00) every calendar year, toward the purchase of such footwear, clothing and prescription safety glasses. In all cases, employees shall be required to furnish receipts for qualifying purchases before receiving any reimbursement.

- M. CDL Training Reimbursement – Employees hired on or after July 1, 2023, whose CDL training is paid for by the employer, agree to reimburse the employer according to the following table if they quit:

TIMEFRAME	PERCENTAGE
Within 12 Months	75%
Within 24 Months	50%
Within 36 Months	25%


If the employee is terminated at any time or by mutual agreement with the employer, they will not have to reimburse the employer for the CDL training cost.

ARTICLE 21
TERM OF THIS AGREEMENT

The provisions of this Agreement shall become effective as of July 1, 2023. This Agreement shall continue in full force and effect until midnight, June 30, 2026, unless, not more than 150 days but at least 120 days prior to the end of its original term, or of any annual period thereafter, either party shall serve upon the other written notice that it desires termination, revision, modification, alteration, renegotiation, change or amendment, or any combination thereof, which shall have the effect of terminating this Agreement in its entirety on the expiration date in the same manner as a notice of desire to terminate, unless, before such date of termination, all subjects of this Agreement proposed by either party have been disposed of by agreement or by withdrawal by the party proposing amendment.

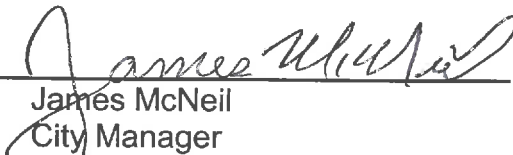
IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representative.

CITY OF ESCANABA
WATER / WASTEWATER UNIT

BY: 

Mark Ammel
Mayor

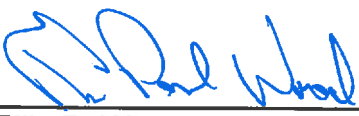
DATE: 7/12/23

BY: 

James McNeil
City Manager


DATE: 7/12/23

GENERAL TEAMSTERS
LOCAL UNION NO. 406

BY: 

Ellis P. Wood
Secretary-Treasurer
Principal Officer

DATE: 7-27-2023

BY: 

Anthony LaPlant
Business Agent

DATE: 7/14/2023

SCHEDULE A
JOB CLASSIFICATIONS

DEPARTMENT

CLASSIFICATION

Water

Chief of Operations and Maintenance
Operator F-1 Certified
Operator F-2 Certified
Operator F-3 Certified
Operator F-4 Certified
Operator S-1 Certified
Operator S-2 Certified
Operator S-3 Certified
Operator S-4 Certified
Maintenance Mechanic - Operator F-1
Maintenance Mechanic - Operator F-2
Maintenance Mechanic - Operator F-3
Maintenance Mechanic - Operator F-4
Distribution Lead Worker
Relief Operator Mechanic Water Wastewater F-1
Relief Operator Mechanic Water Wastewater F-2
Relief Operator Mechanic Water Wastewater F-3
Relief Operator Mechanic Water Wastewater F-4
Skilled Laborer
Serviceman 2
Laborer
Serviceman 1

Wastewater

Chief of Operations and Maintenance
Operator - Maintenance Mechanic A Certified
Operator - Maintenance Mechanic B Certified
Operator - Maintenance Mechanic C Certified
Operator - Maintenance Mechanic D Certified
Relief Operator - Mechanic A Certified
Relief Operator - Mechanic B Certified
Relief Operator - Mechanic C Certified
Relief Operator - Mechanic D Certified
Relief Operator Mechanic Water Wastewater A
Relief Operator Mechanic Water Wastewater B
Relief Operator Mechanic Water Wastewater C
Relief Operator Mechanic Water Wastewater D

**SCHEDULE B
WAGE RATES**

CITY OF ESCANABA							
TEAMSTERS LOCAL 406 – WATER/WASTEWATER UNIT							
July 1, 2023 – June 30, 2026							
Wage Group	Title	Effective Date	Change	90%	92.5%	97.5%	100.0%
1	Laborer	07/01/23	New	21.65	22.25	23.45	24.05
	Serviceman 1	07/01/24	2.50%	22.19	22.80	24.03	24.65
		07/01/25	2.75%	22.80	23.43	24.70	25.33
2	Skilled Laborer	07/01/22	3.50%	22.77	23.40	24.67	25.30
	Serviceman 2	07/01/23	2.25%	23.28	23.93	25.22	25.87
		07/01/24	2.50%	23.86	24.53	25.85	26.52
		07/01/25	2.75%	24.52	25.20	26.56	27.25
3	Operator F4	07/01/22	3.50%	23.41	24.06	25.36	26.01
	Distribution Operator S4	07/01/23	2.25%	23.94	24.60	25.93	26.60
		07/01/24	2.50%	24.53	25.22	26.58	27.26
		07/01/25	2.75%	25.21	25.91	27.31	28.01
4	Operator F3	07/01/22	3.50%	23.99	24.65	25.98	26.65
	Distribution Operator S3	07/01/23	2.25%	24.52	25.21	26.57	27.25
	Operator Mechanic F4	07/01/24	2.50%	25.14	25.84	27.23	27.93
	Operator Mechanic D	07/01/25	2.75%	25.83	26.55	27.98	28.70
	Relief Operator Mechanic D						
	Relief Operator Mechanic W/WW F4 or D						
5	Operator F2	07/01/22	3.50%	24.63	25.32	26.69	27.37
	Distribution Operator S2	07/01/23	2.25%	25.19	25.89	27.29	27.99
	Operator Mechanic F3	07/01/24	2.50%	25.82	26.53	27.97	28.69
	Operator Mechanic C	07/01/25	2.75%	26.53	27.26	28.74	29.47
	Relief Operator Mechanic C						
	Relief Operator Mechanic W/WW F3 or C						
6	Distribution Lead Worker	07/01/22	3.50%	25.45	26.16	27.57	28.28
	Operator F1	07/01/23	2.25%	26.02	26.75	28.19	28.92
	Operator Mechanic F2	07/01/24	2.50%	26.68	27.42	28.90	29.64
	Operator Mechanic B	07/01/25	2.75%	27.41	28.17	29.69	30.45
	Relief Operator Mechanic B						
	Relief Operator Mechanic W/WW F2 or B						
7	Operator Mechanic F1	07/01/22	3.50%	26.10	26.83	28.28	29.00
	Operator Mechanic A	07/01/23	2.25%	26.69	27.43	28.91	29.65
	Relief Operator Mechanic A	07/01/24	2.50%	27.35	28.11	29.63	30.39
	Relief Operator Mechanic W/WW F1 or A	07/01/25	2.75%	28.11	28.89	30.45	31.23
8	Chief of Operations	07/01/22	3.50%	27.90	28.68	30.23	31.00
		07/01/23	2.25%	28.53	29.32	30.91	31.70
		07/01/24	2.50%	29.24	30.05	31.68	32.49
		07/01/25	2.75%	30.04	30.88	32.55	33.38