

AGREEMENT

between the

CITY OF AUBURN HILLS

and the

**AUBURN HILLS EMPLOYEES CHAPTER D OF LOCAL 2720,
AFFILIATED WITH MICHIGAN AFSCME, COUNCIL NO. 25, AFL-CIO**

Effective:

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through

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AGREEMENT

This Agreement entered into on the ____ day of _____, 2004, by and between the City of Auburn Hills, Michigan (hereinafter referred to as "Employer") and the Auburn Hills Employee's Chapter D of Local No. 2720, affiliated with Michigan AFSCME, Council No. 25, AFL-CIO (hereinafter referred to as the "Union"). The headings used in this Agreement and exhibits neither add to nor subtract from the meanings, but are for reference only.

PURPOSE AND INTENT

This contract, as ratified, sets forth the complete Agreement of the parties with respect to the rates of pay, hours of work and other terms and conditions of employment and promotes 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 and among all employees.

NON-DISCRIMINATION CLAUSE

The Employer and the Union agree that there shall be no discrimination against any employee on account of race, religion, color, national origin, sex, age, height, weight, marital status, disability or Union membership or activities in accordance with state and federal law.

ARTICLE 1 - RECOGNITION - EMPLOYEES COVERED

Pursuant to and in accordance with all applicable provision of Act 379 of the *Public Acts of 1965*, as amended, the Employer does hereby recognize the Union as 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 below, this in accordance with MERC certification dated November 5, 1973: (as modified by change from Township to City.)

Unit: All clerical and public works employees of the City, but excluding Supervisors, Department Heads, Deputy and Assistant Department Heads, Administrative Assistants, temporary and part-time employees, Police Dispatchers, Secretary to the City Manager, HVAC, Electrical and Plumbing Inspectors.

ARTICLE 2 - AID TO OTHER UNIONS

The Employer will not aid, promote, or finance any labor group or organization which purports to engage in collective bargaining or make any agreement with any such group or organization for the purpose of undermining the Union.

ARTICLE 3 - UNION SECURITY

To the extent that the laws of the State of Michigan permit, it is agreed that:

Section 1. Employees covered by this Agreement at the time it becomes effective and who are members of the Union at that time shall be required as a condition of continued employment to continue membership in the Union for the duration of this contract.

Section 2. Employees covered by this Agreement who are not members of the Union at the time it becomes effective, shall be required, as a condition of continued employment, to become a member of the Union or pay a service charge equivalent to the monthly dues on or before the tenth (10th) day after the thirtieth (30th) day following such effective date.

Section 3. Employees hired, except probationary, rehired, reinstated or transferred into the bargaining unit after the effective date of this Agreement and covered by this Agreement shall be required as a condition of continued employment to become members of the Union for the duration of this Agreement or pay a service charge equal to the monthly dues on or before the one hundred twentieth (120th) day following the beginning of their employment in the unit.

Section 4. The Union shall indemnify and save the Employer harmless against any claims, demands, suits and other forms of liability, that may arise by reason of the Employer complying with the provision of this Article.

ARTICLE 4 - UNION DUES AND CHECK-OFF

Section 1. The Employees may pay membership dues or service fees directly to the Union.

Section 2. The Employer agrees to make monthly collection of Union dues, initiation fees, and service charges (not including fines or assessments) for any employee submitting a signed payroll deduction authorization to the Employer and to pay over to the Union the total amount thus deducted for all employees.

Section 3. When Deduction Begins: Check-off deductions under all properly-executed authorization for check-off dues or service fee forms shall become effective at the time the application is tendered to the Employer and shall be deducted once each month.

Section 4. Remittance of Dues to Financial Officer: Deductions for any calendar month shall be remitted to the designated financial officer of the Union as soon as practicable after the deductions are made. The Employer shall furnish the designated financial officer of the Union, monthly, with a list of those for whom the Union has submitted signed authorization for check-off dues forms, but for whom no deductions have been made.

Section 5. Termination of Check-off: An employee shall cease to be subject to check-off deductions beginning with the month immediately following the month in which he/she is no longer a member of a bargaining unit. The Union will be notified by the Employer of the names of such employees following the end of each month in which the termination took place. Any employee may voluntarily cancel or revoke his/her authorization for check-off deduction upon written notice to the Employer and the Union within thirty (30) days prior to the expiration date of this Agreement.

Section 6. Limit of Employer's Liability: The Employer shall not be liable to the Union on account of any dues deducted and remitted to the Union or payment of any sum other than that constituting actual deductions made from wages earned by employees. Further, the Union will protect and save harmless the Employer from any and all claims, demands, suits and other forms of liability by reason of action taken or not taken by the Employer for the purpose of complying with this Article.

Section 7. List of Members Paying Dues Directly: The Union will furnish the Employer, within fifteen (15) days after the effective date of this Agreement, the names of all members paying directly to the Union. Thereafter, the Union will furnish the Employer a monthly list of any changes. The Employer will furnish the Union a list of all newly-hired employees and their effective date of hire.

Section 8. Refunds: In cases where a deduction is made that duplicates a payment that an employee has already made to the Union or where a deduction is not in conformity with the provisions of the Union's constitution and by-laws, refunds to the employee will be made by the Local Union.

ARTICLE 5 - STEWARDS AND ALTERNATE STEWARDS

Section 1. In each representation area, employees in the bargaining unit shall be represented by one steward and an alternate who shall be a regular employee working in the unit.

Section 2. Representation areas in the City are:

- a. Water and Sewer Department
- b. Building Department

Section 3. General Office

- a. City Manager's Office
- b. Treasurer's Office
- c. Clerk's Office
- d. Police Department
- e. Fire Department
- f. Other departments that may be established.

This number of stewards may be increased or decreased by agreement between the Employer and the Union. The Employer and the Union may redistrict the unit from time to time by agreement.

It is mutually recognized that the principle of proportional representation which reflects the increase and decrease in the work force is a sound and sensible basis for implementing this section of the Agreement. By agreement between the parties, proportional representation shall be based upon twenty-five (25) employees as a proportional basis.

Section 4. Either the Steward or the Chapter Chairperson, during their working hours upon advising the Employer, shall be allowed without loss of time or pay to investigate and present grievances to the Employer, providing, however, that such action shall not create undue disruption to City Operations. Any abuse of this privilege shall be a proper subject for special conference.

ARTICLE 6 - SPECIAL CONFERENCES

Section 1. Special Conferences for important matters will be arranged between the Chapter Chairperson and the Employer or its designated representatives upon the request of either party. Such meetings shall be between two (2) but not more than three (3) 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 conference shall be confined to those included in the agenda. Conferences shall be held during regular office hours. The members of the Union shall not lose time or pay for the time spent in such special conference. This meeting may be attended by a representative of the Council and/or a representative of the International Union and may be attended by a legal counsel for the Employer.

Section 2. 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 such special conference with the representatives of the Employer for which a written request has been made.

ARTICLE 7 - GRIEVANCE PROCEDURE

Section 1. A grievance is defined as a complaint by an employee concerning the interpretation, application, or claimed violation of any provisions of this Agreement. The procedure for adjusting a grievance shall be as follows:

Step 1: An employee having a grievance may first discuss the matter with his/her supervisor with the object of resolving the matter informally. Employees may request Union representation during such discussion.

Step 2: Any grievance not settled in Step 1 shall be reduced to writing, dated, signed by the aggrieved employee(s) and presented by the Steward to the Department Head within five (5) days of its occurrence. The Steward and the Department Head shall discuss the grievance and the Department Head shall give his written response within five (5) days after the appeal to Step 2.

Step 3: Any grievance not settled in Step 2 shall be submitted by the Union Steward to the City Manager or his designee within five (5) days after receipt of the Step 2 answer. The City Manager or his designee shall, within five (5) days after receiving the grievance, meet with the Chief Steward to discuss the grievance. The Council Staff Representative may be present at this meeting. The City Manager or his designee shall render a written response within five (5) days after the meeting.

Step 4: If the grievance remains unsettled, the Union may, within ten (10) days after the receipt of the Step 3 answer, request arbitration by submitting a written notice to the City Manager. Within thirty (30) days after such request to arbitrate, the Union and the City Manager, or his designee, shall endeavor to agree upon a mutually acceptable arbitrator. In the event the parties are unable to agree upon a mutually acceptable arbitrator, the Union shall no later than the 30th calendar day after submitting the request to arbitrate, file a Request for Arbitration Panel with the Federal Mediation and Conciliation Service Office of Arbitration Services (hereinafter referred to as "FMCS-OAS"), notifying FMCS-OAS of their desire to obtain a panel of seven (7) arbitrators from FMCS-OAS. The FMCS-OAS panel shall consist of arbitrators from across the midwest. The parties shall have fifteen (15) days from the receipt of the FMCS-OAS panel in which to mutually agree upon an arbitrator named to said panel. If an agreement cannot be reached between the parties by the end of fifteen (15) days, either party may request FMCS-OAS to appoint an arbitrator.

The power of the arbitrator stems from this Agreement and his function is to interpret and apply this Agreement and to rule upon alleged violations thereof. He shall have no power to add to, subtract from or modify any of the terms of this Agreement. The fees and expenses of the arbitrator shall be shared equally by the parties.

Section 2. Grievances not appealed by the Union from one step to the next within the time limits specified shall be automatically closed. Grievances not answered by the Employer within the specified time limits shall automatically move to the next step. Saturdays, Sundays and

Holidays are excluded in the determination of the time limits specified in this Article. The parties may, by mutual agreement in writing, extend the various time limits.

Section 3. Any agreement reached by the Union and the Employer shall be final and binding.

Section 4. At any time during the grievance procedure the union may file a written request with the employer for specific items of information related to the grievance. Upon receipt of the written request from the union, the employer shall provide to the union each specific item of information requested which exists, is available and is subject to disclosure under the Michigan Freedom of Information Act. The information will be provided by the employer to the union in accordance with the timelines of the Michigan Freedom of Information Act.

ARTICLE 8 - DISCIPLINE, DISCHARGE AND SUSPENSION

Section 1. The City may discipline and discharge employees when necessary. In any case where employee discipline is necessary, the employer may utilize the following forms of discipline:

1. Counseling Memorandum
2. Written Warning
3. Written Reprimand
4. Suspension
5. Discharge

a. In the event of discharge, or suspension when conditions warrant, the Employer will promptly present the employee with a written notice of discharge or suspension which states specifically the reason or reasons for such action.

b. The Employer will provide the Union with a copy of the written notice that has been given to the employee. Such copy to be presented to an officer of the Union promptly after the written notice has been given to the employee.

c. The discharged or suspended employee will be allowed to discuss the discharge or suspension with the Steward of the Unit, and the Employer will make available an area where he/she may do so before he/she is required to leave the property of the Employer. Upon request, the Employer or his/her designated representative will discuss the discharge or suspension with the employee and the Steward in an attempt to resolve the same, if possible.

d. Appeal of Discharge or Suspension: Should the discharged or suspended employee or the Steward consider the discharge or suspension to be improper, a complaint shall be presented in writing through the Steward to the Employer within five (5) regularly-scheduled working days of the discharge or suspension. The Employer will review the discharge or suspension and give its answer within five (5) regularly-scheduled working days after receiving the complaint. If the decision is not satisfactory to the Union, the matter shall be referred to the grievance procedure at Step 3.

Section 2. The employer agrees that upon imposing discipline 1-3, the Chapter Chairperson shall be notified in writing of the action taken only upon request of the employee. The employee shall be given a copy of any written disciplinary action.

Section 3. Whenever a member is under investigation and subjected to interview by his/her Supervisor that could lead to disciplinary action, discharge or charges, such investigative interview shall be conducted under the following conditions:

- (a) The employee shall be informed that he or she has the right to Union representation during such interview, provided however, that the interview shall not be unreasonably delayed.

In the event disciplinary action 2-5 is imposed, the employee shall be entitled to Union representation. The employee shall be informed of his/her right to Union representation prior to the time such disciplinary action is imposed.

Section 4. Back wages which are awarded or agreed to as a result of reinstatement from a suspension or discharge shall be limited to the amount of base wages that the employee would have earned or such other amount of base wages which may be awarded or agreed to by the parties.

Section 5. Disciplinary actions shall be removed from an employee's personnel record as follows:

- (a) COUNSELING MEMOS AND WRITTEN WARNINGS- Removed from personnel file one year following the incident.
- (b) WRITTEN REPRIMAND- Removed two years following the incident.

Section 6. Any disciplinary actions that have been removed from the employee's personnel record shall not be used by the employer when determining eligibility for a vacant position, a new position or position upgrade request.

Section 7. Use of Past Record: In imposing any discipline of a current charge, the Employer will not take into account any prior infractions which occurred more than two (2) years previously.

ARTICLE 9 - SENIORITY

Section 1. Probationary Employees:

a. New employees hired shall be considered as probationary employees for the first one hundred and twenty (120) calendar days of their employment. When an employee completes the probationary period by accumulating one hundred and twenty (120) calendar days of employment, he/she shall be entitled to full seniority rights and rank for seniority from the one

hundred and twenty (120) days prior to the day he/she completed the probationary period. There shall be no seniority among probationary employees.

b. The Union shall represent probationary employees for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment, and other conditions of employment as set forth in Article 1 of this Agreement, except discharged and disciplined employees for other than Union activity.

c. Seniority shall be in accordance with the employee's last date of hire into a bargaining unit position.

Section 2. Seniority Lists:

a. Seniority shall not be affected by the race, sex, marital status or dependents of the employee.

b. The seniority list on the date of the Agreement will show the names and job titles of all employees entitled to seniority.

c. The City will provide an updated seniority list by January 15th of each year, or as requested by the Union.

Section 3. 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 grievance procedure as set forth in this Agreement.

c. He/she is absent for three (3) consecutive working days without notifying the Employer. In the event the employee is incapable or unable to advise the Employer for reasons or causes beyond the control of the employee, an exception shall be made, provided the employee has accepted written reasons. After such absence, the Employer will send written notification to the employee at his last-known address that he/she has lost his/her seniority, and his/her employment will be 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) above.

f. He/she retires.

g. The employee is not recalled from layoff for a period equal to his/her active employment prior to layoff, or three years, whichever is less.

Section 4. Fringe Benefits:

New employees shall be entitled to fringe benefits as follows:

Health Insurance and STD: Thirty (30) days after date of hire

Life Insurance: Thirty (30) days after date of hire

Dental and LTD: First of the month following completion of probationary period

Vacation Base Date: Date of hire.

Sick Days & Personal Days: Eligibility accrues during probationary period and can be used following satisfactory completion of probationary period.

Regular Holidays: Not paid during probationary period.

Floating Holidays: Upon completion of probationary period by April 15 - Two (2) days;

Upon completion of probationary period by August 15 - One (1) day.

ARTICLE 10 - LAYOFF DEFINED

Section 1. The word "layoff" means a reduction in the working force due to a decrease of work or a lack of funds.

Section 2. If it becomes necessary for a layoff, temporary employees within a department shall be laid off first, followed by probationary employees. Then, seniority employees within a department classification will be laid off according to low seniority as defined in Article 9, Section 1(c). Any seniority employee so removed from his/her classification or department may exercise his/her seniority over a lower seniority employee in any other department where he/she can perform the work. Employees exercising bumping rights shall bump an equal or lower classification.

Section 3. 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 then shall be subject to the grievance procedure.

Section 4. Employees to be laid off for an indefinite period of time shall have at least fourteen (14) calendar days' notice of layoff. The Chapter Chairperson shall receive a list from the Employer of the employees being laid off on the same date the notices are issued to the employees.

ARTICLE 11 - RECALL PROCEDURE

When the working force is increased after a layoff, the employees will be recalled according to seniority in reverse order of Article 9. Notices of recall shall be sent to the employee at his/her last-known address by telegram or certified mail. If the employee fails to respond within five (5) working days or fails to report for work within ten (10) working days of the notice of recall, he/she shall be considered a voluntary quit, unless unusual circumstances are the cause.

Employees shall notify the Employer of any changes of address or movement during a layoff period.

ARTICLE 12 - TRANSFERS OUT OF UNIT

Section 1. If an employee accepts a position under the Employer not included in the bargaining unit, he/she shall be given a trial period of up to thirty (30) calendar days, during which time he/she shall be entitled to transfer back to his/her former job and location. His/her seniority will continue to accumulate during this time.

Section 2. Sub-Contracting:

The Employer agrees that in the event any work presently performed exclusively by the bargaining unit employees is moved outside the bargaining unit, the Employer will discuss the movement of work with the Union in order to provide for the protection of the seniority of the employees involved. In no event shall any seniority employee who customarily performs the work in question be laid off as a direct or indirect result of work being performed by any outside contractor. The foregoing shall not affect the right of the City to continue arrangements currently in effect; nor shall it limit the fulfillment of warranty work which a vendor must perform to prove out equipment.

ARTICLE 13 - PROMOTIONS, TRANSFERS AND UPGRADES

Section 1. Promotions and transfers within each department and job classification shall be made on the basis of seniority, qualifications and bonding requirements. All job vacancies will be posted for a period of seven (7) days in a conspicuous place in each City Building. Employees interested shall apply within the seven (7) calendar day posting period. The senior qualified employee shall be granted an eight (8) week trial period if the position is an existing classification or a 120 day trial period for a new classification, to determine:

- a. Their desire to remain on the job.
- b. Their ability to perform the job.

Notice of the promotion or reasons for denial of the promotion shall be given in writing to such employee and to the Chapter Chairperson. In the event the senior employee disagrees with the reason for the denial, it shall be a proper subject for the grievance procedure. (Step Two Grievance Procedure)

Section 2. During the (8) week or 120 day trial period, the employee shall have the opportunity to revert back to their former classification. If the employee is unsatisfactory in the new position, notice and reasons shall be submitted in writing to the Union by the Employer with a copy to the employee. The matter may then become a proper subject for the second step of the grievance procedure.

Section 3. During the trial period, employees promoted or transferred shall be placed at the step of the new job that would give them a higher rate than the job from which they are promoted or transferred.

Section 4. Temporary Assignments:

a. Employees required to work in a higher classification temporarily, shall be paid the higher rate if the assignment is more than one (1) day. All temporary assignments to a higher classification position shall be offered to the qualified senior employees first.

b. Employees assigned to operate the following equipment shall receive one dollar (\$1) per hour above the General Maintenance rate of pay for the hours they operate the equipment if assigned to the equipment for more than four (4) hours per day and/or eight (8) hours per week. Equipment-Grader, Back Hoe, Vactor Jet, Brush Hog.

c. Temporary assignments shall be no longer than thirty (30) days unless otherwise agreed to by the Union and the Employer. A written request for extension can be submitted by the employer to the Chapter Chair for consideration.

d. Crew leader who is on call shall be paid a premium of \$2.50 per hour added to their regular hourly rate for all hours worked during the week they are on call.

Section 5. Upgrades:

An employee having three (3) or more years of seniority in their current job classification may apply for an upgrade to a position specified in a higher classification using the application contained in Appendix D. The employee's application shall be submitted to their department head and a copy shall be forwarded to the Union Chapter Chairperson. The department head shall forward the upgrade application to the City Manager. The Chapter Chairperson shall contact the City Manager and set up a special conference to discuss the employee's request for an upgrade. Included in the special conference shall be the employee requesting the upgrade, the chapter chairperson, the department head and the City Manager. The City Manager shall have thirty (30) days after the special conference to provide the employee and Chapter Chairperson with a written response to the employee's upgrade request. The final decision to grant or deny

upgrades rests with the City Manager who shall make the decision based on an assessment of the employee's qualifications and an assessment of the need for the upgrade.

Employees upgraded to a higher classification shall be placed at the same step in their new classification as was held in their previous classification.

Section 6. There shall be no involuntary transferring of an employee to a different classification within the same grade unless a special conference takes place and the transfer is mutually agreed to by both parties.

ARTICLE 14 - VETERANS

Section 1. Reinstatement of seniority employees:

Any employee who enters 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 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 one hundred and twenty (120) days of the date of such discharge or one hundred and twenty (120) days after hospitalization continuing after discharge.

Section 2. Veteran's Law:

Except as hereinbefore provided, the re-employment rights of employees and probationary employees will be limited to applicable laws and regulations.

Section 3. Education Leave of Absence for Veterans:

a. Employees who are reinstated in accordance with the *Universal Military Training Act*, as amended, and other applicable laws and regulations, will be granted leaves of absence for a period not to exceed a period equal to their seniority in order to attend school full time under applicable federal laws in effect on the date of this Agreement.

b. 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 City when they are on full-time active duty with the Reserves or National Guard, provided proof of service and pay is submitted, and further provided that such period of time shall not in any one year exceed two (2) weeks. This will not affect vacation time.

ARTICLE 15 - LEAVES OF ABSENCE

Section 1. General Leave:

a. Upon written application from an employee, the Employer may grant a written leave of absence without pay or fringe benefits where good cause is shown for a period not to exceed six (6) months.

The Employer may extend the leave upon written application for an additional period of up to six (6) months.

b. Seniority shall accumulate during the first thirty (30) days of a leave and shall be retained thereafter.

c. If an employee is granted a general leave of absence of ninety (90) days or less, they shall have a guarantee of return to their same classification and job. However, if the general leave of absence is in excess of three (3) months, there shall be no guarantee of return to the same classification. An employee returning from a general leave of absence in excess of three (3) months shall be reinstated to the same classification he/she held prior to the leave, provided an opening in that classification is available. If an opening in the appropriate classification is not immediately available, the employee shall be put to work on any job they can perform provided he/she has sufficient seniority and shall be reinstated when the first opening in the appropriate classification occurs.

d. An employee who gives a false reason for the leave or who works for another Employer not within the provisions of the leave shall be terminated.

Section 2. Medical/Maternity Leave of Absence:

a. An employee with one (1) year or more of seniority shall be granted a medical leave of absence for up to one (1) calendar year because of personal illness, accident, or maternity.

b. Written application for medical leave will be made to the Personnel Director and will be accompanied by proper medical documentation.

c. Medical leave, described above, will be without pay and shall commence after the use of the appropriate sick days prior to the disability insurance coverage.

d. An employee returning from medical leave of less than three (3) months shall be restored to his/her original position. If the leave extends beyond three (3) months, a returning employee shall be restored to his/her original position only if it is vacant or has been filled on a temporary basis, but if the position has been filled on a permanent basis, the returning employee shall be placed in another position in the same pay grade provided he/she can perform the work. If a returning employee is physically unable to perform the duties of his/her prior position, the

City will make every reasonable effort to place the employee in a position he or she is capable of performing.

e. If the employee has not recovered sufficiently during the medical leave granted, but medical evidence is to the effect that further medical leave is required, additional leave up to one (1) year will be granted, but in no event shall a medical leave continue more than two (2) years.

f. An employee on medical leave shall accumulate seniority during the leave.

g. During medical leave, an employee's insurance premiums shall continue to be paid by the Employer for the duration of the leave provided, however, coverage shall terminate in the event the employee is eligible to receive Social Security Disability benefits.

h. An employee who fails to return to work upon the termination of a leave of absence without properly notifying the Employer, shall lose seniority, and employment may be terminated in accordance with Article 9, Section 3, C.

i. This Agreement shall comply with the Family and Medical Leave Act (FMLA), to the extent applicable, and the Employer shall have the right to exercise whatever options are available to employers under FMLA.

Section 3. Leave for Union Business

a. Members of the Union elected to local Union positions or selected by the Union to do work which takes them from their employment with the Employer, shall, at the written request of the Union, receive temporary leaves of absence without pay, for periods not to exceed the terms of office or two (2) years, whichever may be shorter, and upon their return shall be re-employed at work with accumulated seniority.

b. Any one member of the Union during each year elected to attend a function of the International Union, such as conventions or educational conferences, shall be allowed time off for a period not to exceed five (5) working days, with pay, or with the use of vacation leave, to attend such conferences, and/or conventions. Written notice shall be submitted to the Employer thirty (30) days in advance, where possible.

ARTICLE 16 - SICK LEAVE

Section 1. Sick Leave

a. All employees covered by this Agreement earn and are credited with one (1) day sick leave for each month of service, not to exceed twelve (12) days per year. Sick days may be used in no less than one half (1/2) hour segments.

b. Sick leave is provided to permit an employee to remain in pay status while absent from work because of:

1. Personal illness or injury;
2. Pregnancy;
3. Illness or injury in immediate family which shall include spouse, mother, father or children;
4. Up to eight (8) hours per calendar year of sick leave may be used for medical and dental appointments for the employee or immediate family which shall include spouse, mother, father, or children.

c. Employees will be able to accumulate and retain a maximum of thirty (30) days in their sick leave bank. At the end of each year, any employee with unused days over the maximum accumulation shall be paid 100% of those excess days as a bonus.

d. An employee upon termination by the City shall be paid in full for all unused accumulated sick days at straight time rates, provided he/she has completed his or her probationary period. Upon death or retirement, all unused sick leave in full will be paid to the retiree or his/her beneficiary or estate.

e. An absence of more than three (3) consecutive days may require support of a doctor's signed statement.

f. An employee who provides a doctor's slip for an illness or injury or treatment of either within the above stated three day time limit, shall not be subjected to discipline for abuse of sick time unless the employer has medical evidence obtained through the process described in paragraph (h) of this Article that is contradictory to the doctor's slip provided by the employee.

g. An employee who is disciplined for abusing sick time may elect to grieve the disciplinary action.

h. When an employee is directed by their supervisor to receive a physical examination in order to return to work or be found fit for duty, the examination shall be provided at the employer's expense and shall be performed by a licensed physician of the employer's choice. The employer shall pay the employee's wages for the time that they are completing the examination. A copy of the examination results shall be given to the employee and be placed in the employee's medical file.

Section 2. Personal or Free Days:

Personal Leave: Commencing January 1, 1989, an employee shall accrue personal days at the rate of four (4) hours per month for the first ten (10) months in pay status of the calendar year to a maximum of five (5) days per year. Personal leave days may be carried forward into the

following year provided, however, there shall be a maximum accumulation of five (5) days. Personal leave days shall not be deducted from Sick Leave.

a. Three (3) days may be taken at the employee's own discretion. No reason need be given to the Employer. Three (3) days' notice must be given in writing to the Employer. This day is not to be construed as an additional vacation day.

b. Two (2) additional days personal leave per year may be taken for emergencies. Days may be split into one (1) hour increments if this is the need of the employee. One (1) day's notice must be given to the Employer, if possible. The above days are not deducted from sick or vacation day accumulation.

Section 3. Funeral Leave

In the case of a death occurring in the employee's immediate family, the employee shall be granted funeral leave with pay, not to be deducted from sick leave, for a period of five (5) consecutive work days. "Immediate family" is defined as the employee's wife, husband, children, brother, sister, parents or other family member over whom the employee has legal custody then residing in the immediate household.

In the case of death occurring with parents-in-law, grandparents, grandparents-in-law, or grandchildren, the above-noted funeral leave shall be reduced to three consecutive work days.

Employees shall be allowed one (1) funeral day with pay, not to be deducted from sick leave, to attend the funeral of a brother-in-law, sister-in-law, niece, nephew, aunt, or uncle of the employee or the employee's spouse, provided the funeral occurs on an employee's scheduled workday.

An employee selected to be a pallbearer and the Chapter Chairperson, or their designee, shall be allowed the necessary time to attend the funeral of an employee of the City, without loss of pay, for the exclusive purpose of attending the funeral but not to exceed one (1) day.

The City reserves the right to require proof of relationship and attendance at the funeral.

Section 4. Jury Duty Pay

Employees with seniority summoned for jury duty will be paid the difference between jury pay and their regular day's pay for each day they serve as jurors, provided they bring in evidence each day of jury duty pay. An employee released from jury duty before 1:00 p.m. shall be expected to return to work that day.

ARTICLE 17 - WORKING HOURS, OVERTIME AND PREMIUM PAY

Section 1. Work Week and Shift

The normal work week of forty (40) hours shall consist of eight (8) hours per day, Monday through Friday; provided, however, that such schedule shall not be considered a guarantee of work.

Normal office hours for the City shall be 8:00 a.m. to 5:00 p.m. Lunch periods shall be one (1) hour on a schedule to be determined within each department based upon seniority preference. Hours for the D.P.W. non-clerical employees shall be 7:00 a.m. to 3:30 p.m. with a one-half (1/2) hour lunch period. The City shall retain the right to schedule up to two employees from 8:30 a.m. to 5:00 p.m. with a one-half (1/2) hour lunch period. Starting times shall be selected on a seniority basis.

Starting times may be changed by no more than one (1) hour unless negotiated with the Union. Employees shall be given (5) days prior notice before any change.

Section 2. Lunch and Rest Periods

Each employee shall have a scheduled lunch period. In addition, employees are entitled to two (2) scheduled fifteen (15) minute rest periods, one in the first half and one in the second half of their work shift. The City will schedule lunch and rest periods and such periods shall commence from the time that the employee leaves the assigned work site should they choose to do so.

Section 3. Shift Premium and Hours

a. The first shift is any shift that regularly starts on or after 4:00 a.m. but before 11:00 a.m. The second shift is any shift that regularly starts on or after 11:00 a.m. but before 7:00 p.m. The third shift is any shift that regularly starts on or after 7:00 p.m. but before 4:00 a.m. A shift shall be considered a regular shift if it was a duration of at least seven (7) calendar days.

- b. Shift Premium: 2nd Shift Premium - five percent (5%) per hour.
 3rd Shift Premium - ten percent (10%) per hour.

Section 4. Overtime and/or Premium Pay

- a. Time and one-half will be paid as follows:
1. For all hours over regular shift in one eight-hour day.
 2. For Saturday work as such except where shift starts on Friday and continues into Saturday.

3. For hours in excess of the regular forty (40) hour work week.
- b. Double time will be paid as follows:
 1. For all hours worked on holidays, as defined in the agreement, in addition to regular pay for such holidays. (The holiday shall be designated as the twenty-four (24) hours, starting at 12:00 midnight through 11:59 p.m. of the designated holiday.)
 2. For all hours worked on Sunday. (Sunday being 12:00 midnight - Saturday night through 11:59 p.m. Sunday night.)

Section 5. D.P.W. Overtime

- a. Overtime will be offered on a rotating basis to equalize overtime within each classification within the department. Overtime required in conjunction with events and activities which utilize public facilities will be offered to custodial employee (Grade 1) before other classifications when such assignment does not require skills above the Grade 1 classification.
- b. Overtime hours will be computed from July 1 through June 30 of the following year. The Employer will provide the number of hours charged against each employee's account and the number of overtime hours each employee worked.
- c. An up-to-date list showing overtime hours worked will be posted WEEKLY in a prominent place within the DPW Department.
- d. An up-to-date list showing telephone calls made when time is charged against an employee will be provided for review. Any request must be made within one week of overtime worked.
- e. Employees who have scheduled vacation time will not be called upon for overtime during that scheduled vacation period, nor shall the employee be charged. This exemption will also be made for employees who are unavailable for overtime due to department-related seminars, workshops or other related training.
- f. Upon completion of probation, new employees will be placed high on the overtime list. Employees returning from a leave of absence or worker's compensation leave will begin their eligibility for overtime based on the average for each shift.
- g. A thirty-hour (30) variance between high and low hours will be acceptable to the Union based on management's needs.

- h. Employees who wish to be excused from being called for overtime for an extended period of time may be excused with prior approval. Employees will be averaged in with their shift when they return.
- i. Second or third shift employees will be placed on the overtime list separately and will be offered overtime equalized within their shift and shall be offered other overtime based upon availability and the needs of the Employer.

Section 6. Call-in-Time

Any employee called back to meet emergencies before or after working his or her regularly scheduled shift shall be paid a minimum of two (2) hours at the appropriate overtime rate as recorded on the time clock.

Section 7. Overtime Equalization

Overtime will be equalized as evenly as possible among employees within a classification and Department.

Section 8. Fatigue Time

a. Should an employee work a shift-and-a-half or more within a continuous twenty-four (24) hour period, starting with his/her normal shift time, he/she shall be released, if he/she desires, for a period of six (6) hours before he/she is required to report to work for his/her next normal work day. If all and/or any part of the six (6) hour period coincides with the employee's next normal work day, he/she shall suffer no loss of his/her straight time pay he/she normally earns during such period.

b. Should an employee work four (4) hours or more any time prior to the start of his/her shift following a Sunday or a Holiday, he/she shall be permitted to be released, if he/she desires, for a period of six (6) hours before he/she is required to report to work for his/her next normal work day. If all and/or part of the six (6) hour period coincides with the employee's next normal work day, he/she shall suffer no loss of his/her straight time pay he/she normally earns during such period.

Section 9. Flexible Schedule

If the Union or the employer determines that the use of a flexible schedule can improve a department's efficiency, increase the ability to deliver better customer service or enhance the quality of the department's work output, the Union or the employer shall notify the other party. Upon giving or receiving notice, the Union shall appoint a committee of not more than 3 employees from the involved department to meet with the department head or a designee. The department head or a designee and the committee shall meet and attempt to develop a flexible schedule that is acceptable to both parties. The agreement shall include at minimum the terms of the flexible schedule including start and end times, payment of overtime, the employees to whom the schedule applies, and a means for either party to terminate the schedule. Disputes regarding

the employer's decision to approve the use of a flexible schedule or to discontinue the use of a flexible schedule are not subject to the grievance procedure.

Section 10. Meals

When DPW employees work overtime in excess of six (6) hours for purposes of snow removal, water main breaks, storm cleanup or other emergencies approved by the DPW Director, the employer shall provide one meal for said employees.

ARTICLE 18 - HOLIDAY PROVISIONS

Section 1.

The paid holidays are designated as follows:

- | | |
|-------------------|------------------------------|
| 1. New Years Day | 6. Thanksgiving Day |
| 2. Good Friday | 7. Friday after Thanksgiving |
| 3. Memorial Day | 8. Christmas Eve |
| 4. Fourth of July | 9. Christmas Day |
| 5. Labor Day | 10. New Year's Eve |

In addition to the above ten (10) holidays, employees will be granted three (3) "floating holidays" each calendar year. The "floating holidays" shall be granted at any time provided one (1) weeks notice is given by the employee. In the event of a scheduling conflict within a given department, preference shall be given on a seniority basis. "Floating holidays" can also be used to extend vacations provided notice is given one (1) week prior to the scheduled vacation.

Employees who do not work on a holiday designated above will be paid their current rate based on a regular hourly day for said holiday.

Section 2.

Should a designated holiday fall on Sunday, Monday shall be considered as the holiday. Should a designated holiday fall on Saturday, Friday shall be considered the holiday. Should consecutive holidays fall on Friday and Saturday, the holidays shall be moved back to Thursday and Friday. Should the consecutive holidays fall on Sunday and Monday, the holiday shall be moved to Monday and Tuesday.

ARTICLE 19 - FRINGE BENEFIT ACCRUAL

Fringe benefits pertaining to vacation, sick leave days, and personal leave days shall accrue on a monthly basis in months during which the employee is on pay status one-half of the calendar month. Unpaid days and days in which an employee receives STD, LTD, or Worker's Compensation benefits extending more than six (6) calendar months, shall not be considered pay status days.

ARTICLE 20 - VACATION PERIOD

Section 1. Vacation Eligibility

An employee shall earn vacation with pay in accordance with the following:

Start through one (1) year service - 5/6 days per month - (10) days

One (1) year through three (3) years - 1 day per month - (12) days

Four (4) years through nine (9) years - 1 1/3 days per month - (16) days

Ten (10) years through fourteen (14) years - 1 2/3 days per month (20) days

Fifteen (15) years and over - 25 days

Section 2.

a. A schedule of the current year's vacation shall be posted in each department no later than May 1 of each year, and vacations will be granted at such times during the year as are suitable, considering both the wishes of the employees and efficiency of the operation of the department concerned. With regard to an employee's original request for a particular vacation period, where conflict exists within a department, preference shall be given the employee with seniority. Seniority shall not be considered on any subsequent request changing the time of vacation.

b. Employees may take up to one-half (1/2) of their eligible vacation days in not less than one (1) day increments upon prior approval of the immediate supervisor. Employees must request such short duration vacations at least one (1) week in advance.

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. Where employees are unable to have their vacation scheduled because of management scheduling problems, those employees shall be able to carryover their vacation accumulation into the next year during which year carryover days must be used or lost.

e. 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, and illness counted as sick days. In the event his/her incapacity continued through the year, he/she will be awarded payment in lieu of vacation.

ARTICLE 21 - PAY ADVANCE

Section 1. If a regular pay day falls during an employee's vacation, he/she will receive that check in advance before going on vacation, upon written request of at least three (3) weeks. Vacation request forms shall include an appropriate advance pay request designation.

Section 2. Upon termination of employment, with one week's notice, the employee will receive any unused vacation credit including that accrued in the current calendar year.

Section 3. Rate during vacation: Employees will be paid their current rate based on their regular scheduled day while on vacation.

ARTICLE 22 - GENERAL PROVISIONS

Section 1. Union Bulletin Boards and Files

a. The Employer will provide bulletin board space in each building which may be used by the Union for posting notices of the following:

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

b. The bulletin board shall not be used by the Union for disseminating propaganda and among other things, shall not be used for posting or distributing pamphlets dealing with political matters.

c. The City shall provide the Union with space for a file cabinet, which shall be provided by the Union and shall be the Union's property.

Section 2. Rates for New Jobs

When a new job is placed in the unit and cannot properly be placed in an existing classification, the Employer shall notify the Union within thirty (30) days of establishing such position. In the event the Union does not agree that the rate is proper, it shall be subject to negotiation.

Section 3. Supervisory Employees

Supervisory employees shall not perform bargaining unit work which causes the layoff of a bargaining unit employee.

Section 4. Seasonal, Temporary and Part-Time Employees

With regard to employees who perform work normally assigned to members of the bargaining unit, seasonal, temporary and part-time employees are defined and shall be employed as follows:

- a. A seasonal employee shall mean any employee who is employed on a seasonal basis not to exceed 150 calendar days. All seasonal employees shall be terminated after 150 calendar days of employment and shall not be rehired to the same position within the next 60 calendar day period immediately following their termination. The number of calendar days stated herein may be extended or shortened upon mutual agreement between the employer and the Union.
- b. A temporary employee shall be any employee who is employed for special purposes or a period of time not to exceed thirty (30) consecutive work days, except those persons employed under government-sponsored training, youth assistance, or welfare programs.
- c. A part-time employee is an employee who normally works a schedule of not over twenty (20) hours per week. The City shall not employ more than two (2) clerical and (2) general maintenance part-time employees at one time excluding those employees working in the Recreation, Seniors and Golf Course operations.

Seasonal, temporary and part-time employees, as defined above, shall not acquire seniority.

Section 5. Employee Addresses and Telephone Numbers

Each employee covered by this Agreement shall keep the City and his/her supervisors informed of his/her address and telephone numbers. They shall immediately notify their supervisors of any changes. The City shall be entitled to rely on the information furnished by the employee as to his/her address and telephone number and shall have no liability to an employee for the employee's failure to maintain a current address and telephone number with the City and with his/her supervisor.

Section 6. Proof of Commercial License

DPW field employees who are required to or who operate commercial vehicles as part of their job duties shall provide the City with proof of a valid commercial license and any renewals thereof.

Section 7. Drug Testing

Employees who, as a part of their job duties, handle narcotics shall be subject to random drug testing. Results of such testing shall be placed in the employee's medical file. Each employee that is subjected to random drug testing shall participate in the random drug testing

selection process and shall be present for the monthly selection that currently takes place in the office of the Chief of Police. A rotation schedule shall be utilized for the employees involved in the process.

Bargaining unit employees that are required to be randomly drug screened pursuant to C.D.L. Federal requirements shall be identified by the last nine (9) numbers of their driver's license number for the random drug screening process.

Section 8. Tuition

The City shall reimburse the cost of tuition at an accredited educational institution in accordance with the following:

- a) Classes taken on an individual basis separate and not part of a college degree program will be evaluated on their individual merit and approval/disapproval determinations made by the City Manager.
- b) Tuition reimbursement will not be made in advance. The employee will pay for the course and be reimbursed upon proof of completion of the course with a grade "C" or better, and the submission of a signed affidavit may be requested stating reimbursement has not been requested or received from another source.
- c) City reimbursement will be for tuition and mandatory fees, except for recreation fees. Books, supplies and other expenses will be the employee's responsibility.
- d) Reimbursement will apply to active employees only and will require prior approval from the Supervisor, Department Head and City Manger. Reimbursement will be limited to \$2,000 per person per calendar year. Payment for tuition reimbursement shall not be included as part of the final average compensation calculations for pension.
- e) Professional memberships in organizations which are directly related to an employee's current job may be reimbursed as part of the annual tuition reimbursement program when approved by the Department Director. The Department Director and Union Steward shall meet as necessary to determine those memberships that may be certified as approved and those that may become decertified. All memberships must be of mutual benefit to the employee and the City. Membership fees must be for basic individual or group memberships not to include peripheral affiliations and organizational costs and fees.
- f) Coursework must be related to the employee's current position or one that exists within the City organization. However, if coursework is not related to a current position but is part of the degree related program, then coursework would be accepted.

Disputes arising out of the accreditation of coursework and /or degree programs will be determined by an opinion from the Registrar's Office of Oakland University. Accreditation must meet or exceed the level of accreditation of Oakland University. Such determination is not subject to the grievance procedure.

Section 9. Performance Evaluations

If an employee is to be rated by his/her immediate Supervisor, upon completion of the rating, employees will be personally informed of their respective evaluations by the Immediate Supervisor who prepared the evaluation. The original copy shall be placed in the Employee's personnel file.

Any employee who wishes to review his/her performance evaluation with the Supervisor must make a written request within two (2) weeks of receiving his/her copy of the evaluation and must identify each area he/she wishes to review. The matter will be discussed with the Supervisor as expeditiously as circumstances permit. Upon request, the employee may have a Union representative at the meeting with the Supervisor.

If the employee does not agree with the evaluation he/she may write a rebuttal statement to be placed in his/her personnel file including evaluations if any in the employee's file prior to the ratification of this contract.

Section 10. Personnel Files

The employer shall allow members to review their personnel files at least once per year upon request of the employee and shall maintain personnel files in accordance with PA 397, 1978 as amended - the Bullard-Plawecki Employee Right to Know Act.

Section 11. Work Boots

The employer shall provide annually up to \$75.00 per year reimbursement for work boots for AFSCME employees who are required by the employer to wear work boots. The DPW Director and 2 representatives from the Union shall develop a list to specify the make and type of work boots eligible for reimbursement. The purchase of boots other than those on the list shall be approved in advance by the employer. All Employees' must receive prior purchase authorization from their supervisor or department head and must present evidence of purchase in order to receive reimbursement.

Section 12. Clothing

The employer shall provide, once every three (3) years, up to \$100.00 reimbursement for jackets and bibs for AFSCME employees who are required by the employer to wear jackets and bibs. Mechanics shall only be eligible to purchase a jacket. The DPW Director and 2 representatives from the Union shall develop a list to specify the make and type of jackets and bibs eligible for reimbursement. All Employees' must receive prior purchase authorization from their supervisor or department head and must present evidence of purchase in order to receive reimbursement. The employer shall have the option of having the jackets and bibs monogrammed with the City's name and logo.

Section 13. Board and Commission Minutes

The employer may assign General Clerks grade 2, 3, and 4 the task of taking and transcribing minutes for various City boards and commissions. Clerks assigned this task shall be paid the grade 4a - 24-month rate when assigned this task. A minimum of two (2) hours shall be paid for all meetings that do not begin during or immediately contiguous to the regular shift of the employee. Minutes shall be transcribed during regular work hours whenever possible. However, with supervisor permission, minutes may be transcribed before or after regular working hours at work or at home using employer provided equipment. When applicable, overtime will be paid in accordance with Article 17, Section 4.

ARTICLE 23 - HOSPITALIZATION AND MEDICAL INSURANCE

Section 1. Upon ratification of this agreement, the employer shall continue to maintain the PPO and HMO health insurance plan in effect during the 2001-2003 contract, with the employer reimbursement provisions of Attachment C and 1b (below) terminating on 12/31/05. Only qualifying services received prior to 12/31/05 shall be considered for reimbursement.

- a. A prescription drug card with an employee co-pay of \$5.00 generic and \$10.00 preferred or brand name for employees with HMO coverage; and a \$7.00 generic, \$15.00 preferred or brand name and \$30.00 non-preferred or additional brand name for employees with PPO coverage. The mail-in program shall be at two times (2x) the applicable co-pay for both plans.
- b. A Health Insurance Reimbursement Plan to make annual reimbursement in an amount not to exceed \$1,200.00 per employee and eligible dependents for certain deductible and co-insurance expenses incurred by the employee. In order to be reimbursed for eligible deductible and co-insurance expenses, an employee must submit to the Employer an Explanation of Benefits (EOB) form showing that a deductible or co-insurance expense has been incurred and a receipt from the service provider showing that the same has been paid by the employee. A single payment for a deductible or co-insurance expense by an employee of more than \$100.00 shall be reimbursed by the employer upon presentation of a paid receipt from the provider, with the EOB form to be submitted within the next 120 days following the date of reimbursement. If the EOB form is not submitted by the employee, the employer may grant a time extension or require repayment from the employee. In the case of a dispute over the eligibility of any expense submitted by an employee, the matter shall be referred to Industrial Insurance Services, for a determination instead of being a subject for the formal grievance procedure. Industrial Insurance Services' decision shall be final and binding on both the employee and the employer.

Deductible and co-insurance expenses which are eligible for reimbursement are listed in Attachment C. Out of network deductible and co-insurance expenses are not eligible for reimbursement.

The Employer shall make a flexible benefit plan available for the payment of the deductibles with pre-tax dollars.

Section 2. The Employer and Union agree that both parties may mutually agree to implement hospitalization and medical coverage through another provider during the term of this agreement, said coverage to be equivalent or better than the coverage provided under this Agreement. The City agrees that the Union will be notified and involved in evaluating any new hospitalization and medical coverage before the coverage is implemented.

Section 3. The City will provide medical and prescription insurance coverage for AFSCME employees who retire and who are at least 50 years of age and have 10 years of service at the time of retirement. Individuals hired after November 8, 2004, who retire and who are at least 50 years of age and have 20 years of service at the time of retirement may select coverage from those available for active employees. This medical insurance coverage is available for the retiree, spouse and dependents. Dependent care is for children only and must be children of record for a minimum of two years or more prior to retirement date. Upon death of the retiree, medical insurance coverage shall continue for the spouse and eligible dependents of the retiree and shall continue to be paid by the employer. Retirees are eligible for the Vision and Dental Plan in effect at the date of retirement with the retiree responsible for the payment of all premiums for vision and dental coverage. Retiree medical coverage is only available to those employees who are eligible at the time of separation.

Section 4. The City shall offer a medical insurance buyout to employees covered under this agreement at the rate of \$80.00 per payroll period as an addition to each payroll based on twenty-six pay periods per year should the employee elect to no longer take the City's health care insurance. This waiver of insurance shall apply only to the medical portion of coverage and not to the dental or optical portions. Should the employee lose coverage from another source, the employee may elect to once again take coverage and to relinquish their right to the monthly buyout. The City shall require that the employee provide proof of insurance coverage from another source (including spouse and dependent coverage where applicable) prior to the City granting buyout payment. In any case, the annual buyout payment shall not exceed 1/3 the cost of the annual premium amount of the medical coverage. Payments for the medical insurance buyout shall not be included as part of the pension calculations for final average compensation.

ARTICLE 24 - WORKER'S COMPENSATION

a. The employee shall immediately notify his supervisor of any duty connected injury and shall comply with other Department regulations concerning injury reports.

b. Provisions of the Michigan Worker's Compensation Act shall apply to all duty connected accidents or injuries of the employees in the line of duty.

c. The employee shall receive 80% of his/her gross pay exclusive of all deductions for duty connected injuries for up to one (1) year in conjunction with Worker's Compensation.

d. No employee will be entitled to compensation insurance during periods of convalescence from injuries received in the regular performance of his/her duties in addition to his/her regular compensation. Any compensation insurance due to an employee of the City under the provisions of the City compensation insurance policy during the convalescence period in which he/she is being paid his/her regular compensation shall be endorsed and paid to the City Treasurer by the employee.

e. In the event an employee is unable to work because of a duty connected injury, the City will continue life insurance on the employee until date of return or normal retirement date, whichever occurs first. The City will also provide health and dental insurance for the employee and eligible dependents until date of return or normal retirement as follows:

1. During first year of disability, the employee will remain insured pursuant to the regular PPOM Program.

2. If disabled beyond one year, the employee and eligible dependents will be insured by a Health Maintenance Organization (HMO) Policy administered by American Community Mutual Insurance Company. HMO benefits will be comparable to the PPOM Program including optical and prescription drug rider.

3. Upon recovery from disability, the employee must be able to meet standards of eligibility established by the insurance carrier in order to be reinstated to the PPOM Program. An employee not meeting standards of eligibility will remain covered by the HMO.

4. In the event the employee becomes eligible for Medicare coverage the employee would be switched to Medicare-supplemental coverage under the HMO plan. If there is a spouse and/or eligible dependent children, their coverage under the HMO would continue unaffected by the change.

ARTICLE 25 - LIFE INSURANCE

The Employer agrees to pay the full premium for life insurance coverage for each employee as follows:

Employee with less than five (5) years service:	One and one-half (1 1/2) times basic annual salary.
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Employee with over five (5) years of service:	Two (2) times basic annual salary.
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Life Insurance Reduction Schedule

Employees who are in full time active status and who have attained the age of 65 shall have their life insurance benefit reduced by 35%. From and after age 65, employees who remain employed in full time active status shall receive another reduction of an additional 15% once they have attained the age of 70.

ARTICLE 26 - OPTICAL PLAN

The employer will provide optical care through the American Community Preferred Vision Plan, or equivalent coverage from another provider, for the employee and family. The plan will provide for an examination, lens, frames once every twelve (12) months with a \$10.00 co-pay.

ARTICLE 27 - SICK AND ACCIDENT, LONG-TERM DISABILITY, DENTAL

Section 1. Each employee shall be covered by an Employer-paid sick and accident insurance policy paying 66 2/3% of their basic weekly salary. Benefits begin on the 15th day of disability and continue through the end of the sixth month.

Section 2. Each employee shall be covered by an Employer-paid long-term disability insurance policy paying 66 2/3% of their basic weekly salary to age 65. Benefits begin on the 7th month of disability.

Section 3. Effective with this Agreement, each employee shall be covered by Delta Dental Family Plan, Class I and Class II, or equivalent coverage from another provider, with an annual benefit amount of \$1,200.00 per family member and an 80/20 co-pay. The co-pay for major restorations (caps, crowns, etc.) to remain at 50/50. The coverage shall also include orthodontics with an annual benefit amount of \$500.00 per family member. The 80/20 co-pay provision shall apply to orthodontics.

ARTICLE 28 - UNEMPLOYMENT COMPENSATION

The City hereby agrees to make proper contributions to the Michigan Unemployment Compensation Commission so as to ensure the availability of Unemployment Compensation to any and all employees who are eligible or qualified according to the laws of the State of Michigan.

ARTICLE 29 - PENSIONS

Section 1. The existing Pension Plan shall continue to be provided only for employees in the unit and covered by this Agreement hired prior to December 31, 1997, said Pension Plan to include the following highlights:

- a. Normal Retirement shall be 55 years of age and 10 years credited service.
- b. Vesting shall be 50% at five (5) years and 10% per year thereafter. 100% vested at 10 years.
- c. Monthly Retirement Benefit: 2.65% of the best three (3) of the last consecutive five (5) year income average of credited compensation times the total years of service, not to exceed 30.25 years of service, not to exceed 80% of FAC

calculation. Credited compensation shall include base pay plus overtime, and shall not include sick bank payoff or other payments of any kind.

- d. Employee contribution: 5.0% of credited compensation effective January 1, 2002, to be paid as a pre-tax employer pickup under Internal Revenue Code 414(h)(2).
- e. Disability Benefit: For total and permanent disability after participants have reached the age of 40 and have 10 years of credited service.
- f. Death Benefit: An amount equal to 100 times the projected monthly retirement benefit. Can be paid as a monthly income to spouse and children.
- g. Early Retirement: Age 50 with at least 5 years service with a reduction of calculated benefit of 1/2% for each month prior to age 55.
- h. Cost of Living: The amount of Defined Benefit Pension payable to each retiree whose service to the City has terminated and qualifies for normal retirement as defined in this contract, shall be increased by 5% of the amount of the pension benefit which the participant is entitled to receive, when such benefit first becomes payable. Each January 1 thereafter, the pension benefit shall be increased by the same dollar amount, beginning at retirement for a period of fifteen (15) years.

Effective on the date this contract is executed by both the Union and the employer, members of the unit may retire upon attaining age 50 and upon completion of 28 years of service. The amount of the retirement benefit shall not be subject to the reduction specified in item (g) above as it applies to the age 50 with 28 years of service provisions. The cost of living allowance described in item (h) above shall become effective on the first of the year following the date of the employee's retirement. All other retirements prior to age 55 without 28 years of service will be subject to the 1/2% per month reduction as defined in (g) above. If exercising this early retirement provision, then 5% COLA will begin at the age of 55 for a period of fifteen (15) years.

Section 2. Deferred Compensation Plan. In addition to the Pension Plan described in Section 1 of this Article and only for those employees in the unit covered by this agreement as of December 31, 1997, the City will continue the Deferred Compensation Plan jointly funded by employer and employee contributions. For each 3/4% of annual salary contributed by the employee, the City will contribute 1% to a maximum 4% City contribution.

- a. All employees shall be required to contribute at the 3% percent level in order to receive the City's maximum contribution.
- b. The City's contribution shall vest to the employee at the rate of 20% per year based upon years of service with the Employer in a full-time position. Employees having five (5) or more years of service shall be fully vested.
- c. Permanent and total disability will result in immediate full vesting.

- d. In addition to the base contribution, employees may contribute up to the maximum allowable by law.
- e. Further guidelines are set forth in Section 401(k) of the Internal Revenue Code and in the Plan as administered by the employer.

Section 3. Defined Contribution Plan. For those employees in the unit covered by this Agreement hired on or after January 1, 1998, the City will provide a Defined Contribution Plan jointly funded by the employer and the employee. The Defined Contribution Plan is more fully described in Attachment B to this contract.

- a. Employees in the unit covered by this agreement as of December 31, 1997, shall have the option to participate in the Defined Contribution Plan and shall transfer the actuarial value of their vested benefit from the Pension Plan described in Section 1 of this Article to the Defined Contribution Plan.
- b. Employees in the unit covered by this agreement as of December 31, 1997, who choose to participate in the Defined Contribution Plan shall either:
 - 1. Freeze their account in the Deferred Compensation Plan described in Section 2 of this Article or,
 - 2. Transfer the full vested value of their account in the Deferred Compensation Plan described in Section 2 of this Article to the Defined Contribution Plan.
- c. Employees in the unit covered by this Agreement as of December 31, 1997, who choose to participate in the Defined Contribution Plan shall no longer be eligible to participate in the Pension Plan described in Section 1 of this Article or the Deferred Compensation Plan described in Section 2 of this Article.

Section 4. Pension Board. Union members may seek a seat on the City of Auburn Hills Pension Board by filing an application with the City Clerk in accordance with the Pension Plan document.

ARTICLE 30 - SUPPLEMENTAL AGREEMENT

All supplemental agreements shall be subject to the approval of the Employer and the local Union. They shall be approved or rejected within a period of twenty (20) days following the date they are negotiated.

ARTICLE 31 - MANAGEMENT RIGHTS

It is understood and agreed that the Employer has all the customary and usual rights, power, functions and authority of management except as those rights, powers, functions and authority are specifically abridged or modified by this Agreement.

The Union recognizes the Employer's rights to manage its affairs and direct its work force and within the existing framework of the Statutes of the State of Michigan to maintain the City of Auburn Hills in the County of Oakland as efficiently and at the lowest possible cost consistent with fair labor standards.

Nothing in this Agreement shall be construed to limit or impair the right of the City to exercise its rights in the following matters, when in its discretion it may determine it advisable to do any or all of the following:

- a. to manage its business generally;
- b. to decide the number and location of City buildings;
- c. to decide all machines, tools and equipment to be used;
- d. to move or remove any City facility;
- e. to maintain order and efficiency;
- f. to determine the qualifications of employees;
- g. to determine job content not in conflict with this Agreement;
- h. to determine the number of hours to be worked not in conflict with this Agreement;
- i. to make such reasonable rules and regulations, not in conflict with this Agreement as it may from time to time deem best for the purpose of maintaining order, safety and effective operation of the City, and after two weeks advance notice thereof to the Union and the employees to require compliance therewith by employees.

ARTICLE 32 - MAINTENANCE OF STANDARDS

The Employer agrees that all customary and usual conditions of employment in its individual operation relating to general working conditions and other customary and usual conditions of employment excluding wages and hours of work; shall be maintained at not less than the highest standards in effect at the time of the signing of this Agreement, and the conditions of employment shall be improved wherever specific provisions for improvements are made elsewhere in this Agreement. It is agreed that the provisions of this section shall not apply to inadvertent or bona fide errors made by the Employer or the Union in applying the terms and conditions of this Agreement if such error is corrected within ninety (90) days from the date of error. No other Employer shall be bound by the voluntary acts of another Employer when he may exceed the terms of this Agreement.

Any disagreements between the local Union and the Employer with respect to this matter shall be subject for the grievance procedure. The Employer agrees not to enter into any agreement or contract with its employees, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such Agreement shall be null and void.

ARTICLE 33 - SAVINGS CLAUSE

If any article or section of this contract or any riders 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 pending a final determination as to its validity, the remainder of this contract and any rider thereto, or the application of such article or sections to persons or circumstance other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

In the event that any article or section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of the Union, for the purpose of arriving at a mutually satisfactory replacement for such article or section during the period of invalidity or restraint. If the parties do not agree on a mutually satisfactory replacement, either party shall be permitted all legal or economic recourse in support of its demands notwithstanding any provision in this contract to the contrary.

ARTICLE 34 - CLASSIFICATIONS, PAY GRADES AND WAGES

Section 1. Classifications

- Grade 1 - Custodian

- Grade 2 - Assessing Department Clerk
Election Clerk
DPW Clerk
Cashier I
Receptionist
Building Department Clerk
Public Safety Records Clerk

- Grade 3 - Payroll Clerk
Finance Clerk
Cashier II
Clerk - Police Dept.
General Secretary - Police Investigations
General Secretary - Fire Dept..
General Secretary - Building Dept..
General Secretary - DPW
Billing Clerk
Election Clerk
Records Retention Clerk

- Grade 4 - General Maintenance
Secretary to Police Chief
Police Investigations Clerk
Fire Department Clerk
General Secretary - Building Dept.
General Secretary - DPW
- Grade 5 - Mechanic
Group Leader-DPW
Appraiser
Ordinance Enforcement Officer
Payroll and Benefits Technician
Accounts Payable Technician
Cross Connection Control Inspector
- Grade 6 - Building Inspector I
- Grade 7 - Accountant
Senior Enforcement Officer
Recording Secretary
Appraiser II
- Grade 8 - Building Inspector II
- Grade 9 - Building Inspector III
Accountant II
Appraiser II
- Grade 10 - Building Inspector IV

Section 2. Pay Grades and Wages

2004 AFSCME Wage Scale

Effective with the first payroll period on or after 1/1/04						
Grade	Start	6 Month	12 Months	18 Months	24 Months	Hired prior to 10/05/04
	Start	One Year	Two Year	Three Year	Four Year	Hired after 10/05/04
1	13.29	13.94	14.62	15.37	16.16	
2	15.00	15.73	16.50	17.33	18.20	
3	15.53	16.30	17.11	17.97	18.87	
4	17.05	17.92	18.80	19.76	20.72	
4a	0.00	0.00	0.00	0.00	21.25	
5	18.67	19.61	20.59	21.63	22.70	
6	19.21	20.18	21.18	22.23	23.34	
7	20.59	21.63	22.73	23.86	25.04	
8	22.00	23.10	24.21	25.44	26.71	
9	24.28	25.45	26.75	28.06	29.47	
10	24.78	25.98	27.24	28.55	29.93	

a. The wage rate Schedule set forth in Section 3 above, shall be increased at each step as follows effective with the first payroll period on or after:

1/1/04	3 Percent
1/1/05	3 Percent
1/1/06	3 Percent
1/1/07	3 Percent
1/1/08	3 Percent

See Attachment "A"

b. Employees hired subsequent to the date of ratification shall be paid in accordance with the Wage Schedule then in effect provided, however, that a new employee may be hired at a salary step above the start rate based upon prior experience, training and aptitude as determined by the City.

c. Employees promoted to a higher pay grade shall be placed at the lowest step of the schedule that will result in a wage increase above the rate they received in their previous classification, and shall receive further increases at appropriate intervals that correspond to their hire date in the new classification.

Section 3 . Retroactivity

Unless otherwise specified, it is understood and agreed that all Items of Agreement shall be implemented upon ratification and shall not be retroactive with the exception that the wage increase which will be paid in a lump sum, separate check and annual salary calculations for the purpose of pension contributions shall be retroactive to January 1, 2004.

ARTICLE 35 - TERMINATION AND MODIFICATIONS

This Agreement shall continue in full force and effect until 11:59 p.m. December 31, 2008.

a. If either party desires to terminate this Agreement it shall, sixty (60) days prior to the termination date, give written notice of termination. If either party shall give notice of amendment, as hereinafter provided, or if each party giving notice of termination, withdraws the same prior to termination date, this Agreement shall continue in effect year to year thereafter subject to notice of termination by either party on sixty (60) days written notice prior to the current year's termination date.

b. If either party desires to modify or change this Agreement, it shall, sixty (60) days prior to termination of each year, give written notice of amendment, in which event the notice of amendment shall set forth the nature of the amendment or amendments desired. If notice of amendment of this Agreement has been given in accordance with this paragraph the Agreement may be terminated by either party on ten (10) days written notice of termination prior to termination date. Any amendments that may be agreed upon shall become and be a part of this Agreement without modifying or changing any terms of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed on the day and year first above written.

FOR THE UNION

FOR THE CITY OF AUBURN HILLS

Dated: _____

Dated: _____

ATTACHMENT A

Effective with the first payroll period on or after 1/1/04						
Grade	Start	6 Month	12 Months	18 Months	24 Months	Hired prior to 10/05/04
	Start	One Year	Two Year	Three Year	Four Year	Hired after 10/05/04
1	13.29	13.94	14.62	15.37	16.16	
2	15.00	15.73	16.50	17.33	18.20	
3	15.53	16.30	17.11	17.97	18.87	
4	17.05	17.92	18.80	19.76	20.72	
4a	0.00	0.00	0.00	0.00	21.25	
5	18.67	19.61	20.59	21.63	22.70	
6	19.21	20.18	21.18	22.23	23.34	
7	20.59	21.63	22.73	23.86	25.04	
8	22.00	23.10	24.21	25.44	26.71	
9	24.28	25.45	26.75	28.06	29.47	
10	24.78	25.98	27.24	28.55	29.93	

Effective with the first payroll period on or after 1/1/05						
Grade	Start	6 Month	12 Months	18 Months	24 Months	Hired prior to 10/05/04
	Start	One Year	Two Year	Three Year	Four Year	Hired after 10/05/04
1	13.69	14.36	15.06	15.83	16.64	
2	15.45	16.20	17.00	17.85	18.75	
3	16.00	16.79	17.62	18.51	19.44	
4	17.56	18.46	19.36	20.35	21.34	
4a	0.00	0.00	0.00	0.00	21.89	
5	19.23	20.20	21.21	22.28	23.38	
6	19.79	20.79	21.82	22.90	24.04	
7	21.21	22.28	23.41	24.58	25.79	
8	22.66	23.79	24.94	26.20	27.51	
9	25.01	26.21	27.55	28.90	30.35	
10	25.52	26.76	28.06	29.41	30.83	

Effective with the first payroll period on or after 1/1/06						
Grade	Start	6 Month	12 Months	18 Months	24 Months	Hired prior to 10/05/04
	Start	One Year	Two Year	Three Year	Four Year	Hired after 10/05/04
1	14.10	14.79	15.51	16.30	17.14	
2	15.91	16.69	17.51	18.39	19.31	
3	16.48	17.29	18.15	19.07	20.02	

4	18.09	19.01	19.94	20.96	21.98
4a	0.00	0.00	0.00	0.00	22.55
5	19.81	20.81	21.85	22.95	24.08
6	20.38	21.41	22.47	23.59	24.76
7	21.85	22.95	24.11	25.32	26.56
8	23.34	24.50	25.69	26.99	28.34
9	25.76	27.00	28.38	29.77	31.26
10	26.29	27.56	28.90	30.29	31.75

ATTACHMENT A (cont)

Effective with the first payroll period on or after 1/1/07						
Grade	Start	6 Month	12 Months	18 Months	24 Months	Hired prior to 10/05/04
	Start	One Year	Two Year	Three Year	Four Year	Hired after 10/05/04
1	14.52	15.23	15.98	16.79	17.65	
2	16.39	17.19	18.04	18.94	19.89	
3	16.97	17.81	18.69	19.64	20.62	
4	18.63	19.58	20.54	21.59	22.64	
4a	0.00	0.00	0.00	0.00	23.23	
5	20.40	21.43	22.51	23.64	24.80	
6	20.99	22.05	23.14	24.30	25.50	
7	22.51	23.64	24.83	26.08	27.36	
8	24.04	25.24	26.46	27.80	29.19	
9	26.53	27.81	29.23	30.66	32.20	
10	27.08	28.39	29.77	31.20	32.70	

Effective with the first payroll period on or after 1/1/08						
Grade	Start	6 Month	12 Months	18 Months	24 Months	Hired prior to 10/05/04
	Start	One Year	Two Year	Three Year	Four Year	Hired after 10/05/04
1	14.96	15.69	16.46	17.29	18.18	
2	16.88	17.71	18.58	19.51	20.49	
3	17.48	18.34	19.25	20.23	21.24	
4	19.19	20.17	21.16	22.24	23.32	
4a	0.00	0.00	0.00	0.00	23.93	
5	21.01	22.07	23.19	24.35	25.54	
6	21.62	22.71	23.83	25.03	26.27	
7	23.19	24.35	25.57	26.86	28.18	
8	24.76	26.00	27.25	28.63	30.07	
9	27.33	28.64	30.11	31.58	33.17	
10	27.89	29.24	30.66	32.14	33.68	

