

**COLLECTIVE
BARGAINING AGREEMENT**



Between the

CITY OF BAY CITY, MICHIGAN

and

**TEAMSTERS STATE, COUNTY &
MUNICIPAL WORKERS
LOCAL #214, SUPERVISORY UNIT**

Effective 7/1/2013 – 12/31/2016

**TEAMSTERS STATE, COUNTY & MUNICIPAL WORKERS
LOCAL #214, SUPERVISORY UNIT**

Effective 7/1/2013 – 6/30/2016

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AGREEMENT

This Agreement is entered into pursuant to the authority of Act 336 of the Public Acts of 1947, as amended, January 9, 2006, between the City of Bay City, a Municipal Corporation of the State of Michigan, hereinafter referred to as the "City", and Teamsters State, County & Municipal Workers Local #214, Supervisory Unit affiliated with the International Brotherhood of Teamsters, a non-profit organization within the scope and meaning of the above Act, as amended, hereinafter referred to as the "Union".

Witnesseth: That the parties hereto, in consideration of the mutual covenants and agreements hereinafter contained do hereby agree as follows:

PREAMBLE

It is the general purpose of this Agreement to promote the mutual interest of the City and its employees and to provide for the operation of the services provided by the City of Bay City under methods which will further, to the fullest extent possible, the safety of the employees, economy and efficiency of operation, elimination of waste, realization of maximum quantity and quality of output, cleanliness, protection of the property and avoidance of interruptions to service. The parties to this Agreement will cooperate fully to secure the advancement and achievement of these purposes. It is further recognized that it is in the best interests of the City and the Union and their respective representatives at all levels that all dealings pursuant to the Agreement continue to be characterized by fairness, good faith and in the spirit of mutual respect for the duties and responsibilities which each party has in serving the public good.

NON-DISCRIMINATION

The parties to this Agreement hereby agree that they shall not discriminate against any employee covered by this Agreement because of age, race, sex, color, religion, national origin, handicap, membership or non-membership in any labor organization

ARTICLE 1 DEFINITIONS

Section 1:1 – Union

The "Union" shall be defined as the officer, representative, and members of the Teamsters State, County & Municipal Workers Local 214, a non-profit labor organization, within the scope and meaning of Act 336 of the Public Acts of 1947, as amended.

Section 1:2 – City

The "City" shall be defined as the elected and/or appointed representatives of the City of Bay City, Michigan, a municipal corporation of the State of Michigan, as public employer within the scope and meaning of Act 336 of the Public Acts of 1947, as amended.

Section 1:3 – Regular Full-time Employee

A regular full-time employee shall be defined as an employee who works the City's normal workweek.

Section 1:4 – Probationary Employees

New employees hired in the unit shall be considered as probationary employees for the first six (6) months of their employment. When an employee finishes the probationary period, by accumulating six (6) months of employment s/he shall be placed on the seniority list of the unit and shall rank for seniority from the day six (6) months prior to the day s/he completes the probationary period. There shall be no seniority among probationary employees.

The probationary period shall be for the purpose of determining the ability of the employee to perform the functions required by the job classification, and during such period he shall be subject to removal without recourse to the Grievance Procedure specified in this Agreement.

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

During the probationary period, except where otherwise specified, the employee shall receive wages in accordance with the adopted schedule, and this provision shall not be construed to prevent the automatic wage increases in pay provided for various positions.

The probationary period may be automatically extended in the event the probationary employee is absent from work as a result of a medically verified disability for more than two (2) weeks. The probationary period may be extended upon the mutual agreement of the City and the Union.

Probationary employees may not bid on other jobs until after the successful conclusion of the six (6) month probationary period.

Section 1:5 – Emergency

"Emergency" is a situation requiring immediate attention, which cannot be reasonably anticipated, and where bargaining unit employees are not available to carry out necessary municipal functions.

ARTICLE 2 RECOGNITION

Section 2:1 – Recognition

In accordance with the provisions of Act 336 of the Public Acts of 1947, as amended, the City hereby recognizes the Union as the exclusive bargaining representative for all regular

full-time employees in the hereinafter defined bargaining unit as certified in MERC Case #L08 C-3007 and listed in Appendix A for the purpose of collective bargaining in respect to rates of pay, wages, hours, terms of employment or other conditions of employment.

All positions that are mutually agreed upon and added to Appendix A in the future will be represented by Teamsters State, County and Municipal Workers Local #214.

Section 2:2 – Aid to Other Unions

The City agrees that it will not negotiate with any other union, individual, or group of individuals concerning wages, hours, or terms and conditions of work affecting members of this bargaining unit as long as this Union is the legally designated representative.

**ARTICLE 3
MANAGEMENT RIGHTS**

Section 3:1 – Rights of the City

Except when limited by the express provisions elsewhere in the Agreement, nothing in this Agreement shall restrict the City in the exercise of its function of management under which it shall have, among others, the right to hire new employees, to assign work and to direct the working force; to discipline, suspend and discharge for cause, or layoff employees, or transfer employees; to determine the location and number of facilities; to decide the services to be provided the public; to introduce new equipment, methods and processes; and to determine the work standards; to determine procedures by which such work is to be performed, to determine the qualifications of employees; to determine the starting and quitting time, to determine the number of hours to be worked; to make such reasonable rules and regulations not in conflict with this Agreement, as it may from time to time deem best for the purposes of maintaining order, safety and/or effective operation of City facilities and after advance notice thereof to the Union and the employees, to require compliance therewith by employees.

Management shall have all other rights and prerogatives that are not in conflict with any of the prerogatives of this Agreement and no management right shall be exercised in violation of any of the provisions of this Agreement.

The union recognizes the City's right to contract or subcontract bargaining unit work to non-bargaining unit persons or entities, provided, however that such contracting or subcontracting of bargaining workers' services shall not result in lay-off of bargaining unit employees from their present classifications in the bargaining unit or reduce their normally scheduled work hours.

Contracted or subcontracted bargaining unit work or services may, in the City's discretion, be either increased or decreased provided it does not cause bargaining unit employees to be laid-off from their present classifications or reduce their normally scheduled work hours.

Section 3:2 – Mandatory Unpaid Leave Days

- A. Salaried Supervisory Employees Shall be Subject to:
 - 1. Zero (0) unpaid leave hours effective July 1, 2013 through December 31st, 2016.
 - a. Employees will have a bi-weekly payroll threshold of 80 hours per pay, (for calculation purposes only.
 - 2. All unpaid leave days will be identified by the City Manager and/or designee.
 - a. Notification of identified furlough days will be provided to the Union within 30 days from contract ratification and commission approval.
 - b. Notification of identified furlough days for all subsequent fiscal years will be provided to the Union by June 1st of the prior fiscal year.
- B. Members shall continue to accrue seniority, leave credits and all benefits as if they were in full pay status.
- C. "Furloughing" shall be defined as time off without pay during otherwise regular work hours. In other words employees will be off without pay for a total number of hours as set forth in this agreement which shall be identified by the City Manager and/or designee.

ARTICLE 4 UNION SECURITY

Section 4:1 – Union Membership

All employees have the right to join, not join, maintain or drop their membership in the Union as they see fit. The Union recognizes, however, that it is required under this Agreement to represent all employees included within the bargaining unit without regard to whether or not the employee is a member of the Union.

Section 4:2 – Checkoff

- A. During the life of this Agreement, the City agrees to deduct Union membership dues and initiation fees or the service fee equivalent from the pay of each employee who executes and files with the City a proper check-off authorization form which shall be used exclusively and shall be supplied by the Union.
- B. Dues and initiation fees will be authorized, levied and certified by the Secretary - Treasurer in accordance with the Constitution and By-Laws of the Union. Each employee hereby authorizes the Union and the City without recourse to rely upon and to honor certificates by the Secretary-Treasurer of the Local Union, regarding the amounts to be deducted and the legality of deducting such Union dues and/or initiation fees. The City agrees, during the period of this Agreement, to provide this check-off service without charge to the Union.
- C. A properly executed copy of the written check-off authorization form for each employee for whom dues, initiation and service fees are to be deducted hereunder shall be delivered to the City before any payroll deductions are made. Any written authorization which lacks the employee's signature will be returned to the Union by the City.

Should any employee, for any reason, fail to sign a dues or service fee authorization slip, the Union may request at its sole discretion, that said dues or service fee owed under said agreement be deducted by the City from the employees pay check pursuant to state law (P.A. 390 of 1978) without such authorization slip being signed.

- D. Deductions for dues, initiation and service fees for any calendar month shall be made from the first (1st) pay period of that month, provided the employee has sufficient net earnings to cover the dues and/or initiation fees. In the event an employee is absent from work during the first (1st) pay period, such deductions shall be made the following month together with the deduction for the current month. Deductions for any calendar month shall be remitted to the designated Secretary-Treasurer of the Local Union.
- E. In cases where a deduction is made which duplicates a payment already made to the Union by an employee, or where a deduction is not in conformity with the provisions of the Union Constitution and By-Laws, refunds to the employee will be made by the Union.
- F. The Union shall notify the City in writing of the proper amount of dues, initiation and service fees and any subsequent changes in such amounts.
- G. The City shall not be liable to the Union by reason of the requirements of this Section of the Agreement for the remittance or payment of any sum other than that constituting actual deductions made from employee wages and the Union agrees to indemnify and to hold the City harmless for any and all claims arising out of its agreement to deduct dues and initiation fees.
- H. If direct deposit capabilities should become available during the life of this Agreement, arrangements will be made for it to be utilized for check-off fees.

ARTICLE 5 BARGAINING COMMITTEE

Section 5:1 – Bargaining Committee

The bargaining committee of the Union shall include not more than two (2) employees and one (1) alternate employee of the City who are covered by the Agreement and who are members of the Union. The Bargaining Committee may also include not more than two (2) non-employee representatives of the Union. The Union shall submit to the City, in writing, the names and addresses of its employee and non-employee representatives in the bargaining committee prior to negotiations, and in the event of a change during negotiations, at least five (5) working days prior to the next session, if possible.

Section 5:2 – Bargaining Committee Remuneration

Employee members of the bargaining Committee will be paid by the City for time spend in negotiations during normal work periods with the City, but only for straight time hours they would otherwise have worked on their regular work schedule. For the purpose of computing

overtime, time spent in negotiations during normal work hours shall be considered as hours worked, to the extent of the regular work schedule which otherwise would have been worked by the bargaining committee employee.

ARTICLE 6 UNION REPRESENTATION

The parties agree that the Union may have two (2) Stewards and one (1) Alternate Steward. Stewards shall be responsible for the investigation and processing of grievances, representing employees in the disciplinary process, and attending meetings as mutually requested by the parties. Stewards and Alternate Stewards shall perform these duties without loss of pay according to Section 7:3, Section 7:12 and Section 9:1 of this Agreement. Alternate Stewards shall act only in the absence of Stewards.

There will be no discrimination of an employee because of duties as a Steward or Bargaining Committee member.

In the event of a labor relations dispute between an employee and supervision, the employee has the right to request union representation.

ARTICLE 7 GRIEVANCE AND GRIEVANCE PROCEDURE

Section 7:1 – Purpose of Grievance

The purpose of the grievance procedure shall be to provide a method for complaints to be voiced in an orderly manner such that the proper authority can resolve such matters fairly and in a timely manner.

Section 7:2 – Definition of Grievance

A grievance shall be defined as any dispute regarding the meaning, interpretation, application or alleged violation of the terms and provisions of this Agreement.

Section 7:3 – Grievance Investigation

In an effort to avoid unnecessary grievances, the Union Stewards and potential grievant shall be provided up to two (2) hours, with pay, to investigate grievances. This time off (including the time of departure and return) shall be arranged in advance with the Director of Human Resources or designee and shall be granted as scheduling and job requirements permit. To clarify said understanding, the Union shall submit, in writing to the Director of Human Resources, or his designee, the request for time off. That said request shall identify the possible grievance for which it is investigating. If this time to investigate is substantially delayed (two or more days) or denied, the time limits, upon request by the Union shall be extended in writing concurrently by the parties.

Section 7:4 – Union Representation for a Grievance

In the event of a meeting which could lead to discipline or discharge, or a labor relations dispute between an employee and supervision, the employee has the right to request Union representation.

Section 7:5 – Presentation of a Grievance

An employee shall present a grievance: (a) either through a designated Union representative, or (b) through his own presentation, provided that he bargaining representative has been given the opportunity to be present.

Section 7:6 – Modification of Agreement Prohibited

Regardless of the method of presentation, no grievance, nor settlement, shall render inconsistent any of the terms of this Agreement.

Section 7:7 – Grievance Procedure

An employee shall present a grievance as follows:

Step 1 - Division Director

A grievance may be filed on behalf of one or more employees (or on its own behalf) and will be submitted in writing to the division director involved within fifteen (15) working days of the occurrence or omission giving rise to the grievance or the grievance shall be considered dropped.

The division director shall reply in writing within ten (10) working days thereafter. If no reply is received from the division director within the prescribed time limit, the grievance shall be deemed settled in the employee's or Union's behalf. In an effort to expedite grievance resolution, any grievance resolved at Step 1 shall be considered non-precedent setting.

Step 2 – Director of Human Resources or Designee

If the division director's answer is unsatisfactory, the Union may request a Step 2 meeting, in writing, with the Director of Human Resources or designee within fifteen (15) working days of the division director's disposition or the grievance shall be considered dropped.

A meeting between the Director of Human Resources and the Union shall be arranged within fifteen (15) working days of receipt of a grievance by the Director of Human Resources unless mutually extended, in writing. The Union may meet for fifteen (15) minutes immediately prior to the joint meeting. The Director of Human Resources or designee shall provide his/her written response within fifteen (15) working days of the meeting unless mutually extended, in writing. Step 1 and Step 2 processing shall include dates received and dates issued.

Step 3 – City Manager

If the answer of the Director of Human Resources is unsatisfactory to the employee, the Union may request a Step 3 meeting, in writing, with the City Manager or his designee. Such appeal shall be within fifteen (15) working days of the Step 2 answer or the grievance shall be considered dropped.

The City Manager or designee shall meet with the Union's Business Representative, Stewards and aggrieved employee within fifteen (15) working days of the presentation of the appeal, unless mutually extended, in writing. The Stewards and aggrieved employee may attend the meeting without loss of pay. The Union may meet for thirty (30) minutes immediately prior to the joint meeting.

The City shall provide its written response to the grievance within fifteen (15) working days of the meeting unless mutually extended, in writing.

Step 4 – Non-Binding Mediation/Arbitration

If the grievance is not satisfactorily adjusted in Step 3, the parties may mutually agree to submit the grievance to non-binding mediation and extend the timelines of the grievance procedure.

If the grievance is not satisfactorily adjusted in Step 3 or mediation is selected within the time provided, unless mutually extended, in writing, the Union shall notify the City, in writing, within fifteen (15) working days following mediation of its intent to submit the grievance to Local #214's internal Grievance Panel for disposition, or the grievance shall be considered dropped. Following Local 214's internal Grievance Panel meeting, the City shall be notified of the Panel's decision and of its intent to arbitrate, if applicable.

The Union shall file its demand for arbitration within forty-five (45) calendar days of its original notice to refer the matter to its internal Grievance Panel or the demand for arbitration shall be considered dropped. Arbitration may be selected through the Federal Mediation and Conciliation Service (FMCS). If the parties cannot agree on an arbitrator within seven (7) working days of notice for arbitration, then the arbitrator shall be selected from the panel or arbitrators proposed by FMCS within thirty (30) calendar days.

The Arbitrator shall have the authority and jurisdiction to determine the propriety of the interpretation and/or the application of the Collective Bargaining Agreement respecting the grievance in question, but the arbitrator shall not have the power to alter or modify the terms of this Agreement. There shall be no appeal from an Arbitrator's decision. It shall be final and binding on the Union, on all bargaining unit employees, and on the City.

The City and the Union agree to share equally the expenses of the arbitrator.

Section 7:8 – Expedited Grievance Procedure

The Union shall have the right to initiate a grievance at Step 3 of the Grievance Procedure for discharge or suspension without pay of an employee, or as mutually agreed by submitting the grievance directly to the City Manager, with a letter of appeal. A meeting shall take place within fifteen (15) working days of receipt of the appeal, unless extended by mutual agreement in writing. An answer shall be forwarded by the City Manager and/or his designated representative to the Union and Stewards within fifteen (15) normal working days of the meeting.

If the answer of the City Manager and/or his designated representative is unsatisfactory to the Union, both parties agree that the Union may invoke Step 4 of the Grievance Procedure as outlined above.

Section 7:9 – By-Pass Grievance Steps

The parties may mutually agree to by-pass any step.

Section 7:10 – Failure to Appeal/Respond to a Grievance

Failure on the part of the Union to appeal the City's answer within the time limits as set forth in this Article shall be construed as the Union's acceptance of the City's last answer, and the grievance shall be considered closed.

Failure on the part of the City to comply with the time limits shall be construed as in favor of the Union, and the grievance shall be awarded to the Union.

Section 7:11 – Grievance Time Limits

All time limits may be extended by mutual agreement.

Section 7:12 – Grievance Pay

The Stewards and grievant shall be granted necessary and reasonable time during working hours for scheduled grievance meetings, except however, no more than two (2) employees shall be paid for such time spent. Should the meeting extend beyond an employee's regular working hours, pay shall be at straight time only. The Union may meet with its witnesses for one (1) hour, with pay, immediately prior to an arbitration meeting.

Section 7:13 – Copies of Grievance Related Material

The City would relinquish and provide, on a reasonable and timely basis and without charge, any relevant information requested by representatives of the union in the representation of a grievant or grievance and which is available and accessible to the City and allowable by law. To clarify said understanding, the Union shall submit, in writing, the request to the Director of Human Resources. That request shall identify the possible grievance and issue for which it is requesting the information. The City of Bay City,

thereafter shall, on a reasonable and timely basis, and ordinarily within five (5) work days, respond to said request for information.

Section 7:14 – Grievance/Election of Remedies

If an employee elects to utilize the Grievance Procedure provided for in this Agreement, and subsequently elects to utilize any available administrative or statutory scheme or procedure, such as, but not limited to a Veteran's preference hearing, civil rights hearing, or Department of Labor hearing, said grievance shall be held in abeyance until the administrative or statutory scheme or procedure has been concluded. The City agrees to notify the Union of the conclusion of any administrative or statutory scheme.

ARTICLE 8 DISCIPLINE AND DISCHARGE

Section 8:1 – Just Cause/Progressive Discipline

The City shall not discipline, suspend or discharge any employee for disciplinary reasons except for just cause. It is mutually agreed that progressive, corrective discipline for minor offenses should be employed and therefore the employee shall first receive an oral and a written warning notice before more severe discipline is issued. The Union acknowledges, however, that a warning notice, whether verbal or written need not be issued first for major infractions as defined by the City's Rules and Regulations resulting in suspension or discharge.

Section 8:2 – Notification of Discipline/Discharge

The City agrees to provide written notice to the Stewards involved upon discipline, and to the Stewards and Union upon suspension or discharge of an employee, citing specific charges against such employee in all cases.

The City further agrees that the employee will be allowed to discuss the discipline, suspension, or discharge with the Stewards, and the Division Director will make available an area where this may be done before the employee is required to leave the property of the City unless the employee is unruly or is a threat to other employees.

Section 8:3 – Disciplinary Action/Time Limits

The City will adhere to a policy of progressive discipline excepting egregious acts of misconduct or criminal conduct that warrants termination. In imposing discipline on a current charge, the City will not take into account any prior infractions of City or departmental rules or regulations which occurred more than two (2) years previously.

Section 8:4 - No Disciplinary Layoff

The City agrees that it will not lay off an employee for disciplinary reasons.

ARTICLE 9 SPECIAL CONFERENCES

Special conferences for important matters of mutual concern not being processed as a grievance under this Agreement will be arranged between the City, Union Business Representative and Stewards, and any outside parties requested to attend. Stewards will be allowed to attend without loss of pay. Arrangements for such conferences shall be made in advance and shall be limited to the agenda presented when such arrangements are made. It is expressly understood that these special conferences shall not be for the purpose of conducting collective negotiations, nor to, in any way, modify, add to, or detract from the provisions of this Agreement.

ARTICLE 10 SENIORITY

Section 10:1 – Seniority Definitions and Uses

City-wide seniority shall be defined as the length of continuous employment with the City of Bay City commencing on the employee's last date of hire with the City, and shall be used to determine benefit levels. Bargaining unit seniority shall be defined as the length of continuous employment in the bargaining unit commencing with the last date of hire in the bargaining unit and shall be used for layoff and recall, promotions, lateral transfers, and vacation disputes.

Effective upon ratification of this Agreement, bargaining unit seniority for current bargaining unit employees shall be equal to their current City-wide seniority.

The bargaining unit seniority rights of members of the bargaining unit apply only within the bargaining unit, and bargaining unit seniority rights have no application outside of the bargaining unit. However, when an employee applies for a promotion or transfer within the City, the City shall consider City-wide seniority as one of the factors in determining qualifications in accordance with any other applicable collective bargaining agreement.

Section 10:2 – Seniority List

The City will update and post annually, the seniority list showing the employee's name, date of hire, and applicable seniority dates. The seniority list shall be posted on or about March 1 of each year to remain posted for that year. The Union and Stewards will be provided with a copy of the seniority list at the time of posting.

In the event of a layoff/job elimination, the City will provide an updated seniority list to the Union, Stewards, and affected bargaining unit employees.

Employees contesting their seniority dates shall notify the Human Resources Department within sixty (60) days of the posting. Otherwise, the seniority dates shall be presumed correct.

Section 10:3 – Seniority of Employees with Same Date of Hire

Employees with the same date of hire shall be present and determine their seniority by draw.

Section 10:4 – Loss of Seniority

An employee may lose his seniority for the following reasons only:

- A. Resignation
- B. Discharge
- C. Retirement
- D. Layoff in excess of two (2) calendar years from date of layoff
- E. Seniority shall not be accumulated during unpaid leaves of absence over thirty (30) calendar days, except in instances where the Uniformed Services Employment and Reemployment Rights Act (USERRA) of 1994 may apply.

Section 10:5 – Super Seniority/Stewards

The Stewards shall have super-seniority for purposes of layoff and recall. That is to say that in the event of a layoff of any type, they are to be considered as the employees with the longest day of employment with the City, and shall be considered as the employees with the longest seniority date notwithstanding any position on the seniority list, in case of a layoff, so that in the event of a layoff of any type, they shall be continued at work as long as there is a job which they can perform, and they shall be recalled to work, in the event of a layoff, on the first open job which they can perform.

Section 10:6 – Seniority/Probationary Period

When an employee finishes the probationary period, by accumulating six (6) months of employment s/he shall be placed on the seniority list of the unit as of his/her date of hire, except in the case of an automatic extension due to a medical Leave of Absence in which case s/he will be placed on the list from the day six (6) months prior to the day s/he completes the probationary period.

Section 10:7 – Seniority of Veterans

Any employee who is drafted or is "called up" from reservist status to serve in the Armed Forces of the United States shall continue to accrue seniority while in active service.

Section 10:8– Seniority During Temporary Assignments

An employee who takes a temporary assignment outside the bargaining unit shall keep accruing seniority while in that assignment.

ARTICLE 11 LAYOFF, BUMPING, RECALL

Section 11:1 – Layoff/Order of Layoff

The word "layoff" means a reduction in the working force due to a lack of funds or lack of work. The first bargaining unit seniority employees to be laid off in the affected classifications shall be those employees with the least amount of bargaining unit seniority.

Section 11:2 – Reduction of Hours

If reducing hours is the only feasible means of reducing the work force, the least senior person's hours in the classification affected shall be reduced. In addition, the individual whose hours are reduced shall have the right to displace a less senior person in an equal or lower paying job for which the individual is qualified to perform and has more bargaining seniority.

Section 11:3– Notice of Layoff

The City shall give two (2) weeks, and when possible three (3) weeks, notice to the affected bargaining unit employee(s) and the Union and Stewards of any proposed layoff and such notice shall state the reasons thereof.

Section 11:4 – City Wide Vacancies

Laid off employees shall be given consideration for City-wide vacancies for which they qualify that may be available or open prior to the external posting process.

Section 11:5 – Right to Return to Former Position

An employee who has been laid off or displaced by another employee, and who has chosen to bump in lieu of layoff shall be permitted to return to his/her former position in the event of a vacancy for a period of one (1) year or the length of the employee's seniority at the time of displacement, whichever is shorter.

Section 11:6 – Recall from Layoff

A laid-off employee, if recalled to a job for which s/he is qualified at an equal or higher rate of pay from which he/she was laid off, shall be required to take the recall. Failure to take such offered work shall result in loss of seniority and shall be considered a resignation.

Section 11:7 – Recall/Order

The order of recalling laid-off employees shall be in reverse order of layoff. Permanent employees to be recalled from layoff shall be called on the basis of required classification and their seniority as herein before provided, and the City shall notify them by certified mail, return receipt requested, of the recall. The employee shall be allowed five (5) working days

to respond after notice has been sent by certified mail to their last known address. Employees who decline recall, or who in the absence of extenuating circumstances, fail to respond as directed within the time allowed, five (5) working days, shall be presumed to have resigned and their names shall be removed from the seniority and preferred eligibility list.

Section 11:8 – Recall/Vacancy

In the event a vacancy occurs in a classification and department that an employee was previously laid off from, the employee who was laid off will be recalled to that classification and department with no posting.

Section 11:9 – Placement/Rates of Pay Upon Recall

An employee recalled from layoff to the classification from which s/he was laid off from shall be placed at his/her previous pay range and step level of pay, until eligible for a step increase, if applicable. An employee recalled from layoff to a lower classification will be placed at the new pay range at the same step level s/he was receiving at the time of layoff.

In the event said employee is later returned to the higher classification from which s/he was laid off, s/he will return to the pay range, and step level, unless said step level is lower in which case s/he shall be placed at the next step in the appropriate pay range that affords an increase.

Section 11:10 – Lay Off/Permanent Reduction

In the event a permanent reduction of any positions in the bargaining unit becomes necessary, the City agrees that:

1. Written notice of intent to reduce the bargaining unit will be given thirty (30) days prior to such a reduction.
2. Prior to such reduction in the bargaining unit, the City will meet and discuss the reasons or necessity for such a reduction, if requested by the union.
3. The Union may submit proposals to the City relating to the bargaining unit to avoid the necessity of such a reduction. The City shall be required to consider such proposals and respond to the Union in writing prior to the implementation of such a reduction.

ARTICLE 12 VACANCIES, PROMOTIONS, TRANSFERS

Section 12:1 – Posting of Vacancies/Promotions

Job vacancies within the bargaining unit will be posted for a period of five (5) working days prior to being filled provided the City has at least two (2) weeks notice of vacancy occurring, otherwise, three (3) working days, setting forth the minimum qualifications for the position.

Selection will be based on the most qualified candidate. If two candidates are equally qualified then seniority shall prevail.

Employees who may be interested in applying for a posted vacancy/promotion shall apply in writing to the Human Resources Department within the posting period.

The City agrees that when a job vacancy occurs and has been posted within the prescribed time limitations, the City will select the qualified bargaining unit applicant and reclassify the selectee within thirty (30) days unless extenuating circumstances exist and both parties agree to extend the limitations. If no qualified bargaining unit candidate is available from within the unit, the City may select another City employee or hire from outside in which the time limits will be extended.

Section 12:2 – Promotions

A promotion is defined as a position involving a higher rate of pay, or the upgrading of a position which materially increases the responsibilities of that position.

Section 12:3 – Transfers and Demotions

Transfers shall be defined either as a lateral transfer from one department to another, or a move within the same classification from one location to another.

Transfers within the same classification from one location to another will be awarded to the most senior qualified interested bargaining unit employees.

Employees shall not be allowed more than one (1) lateral transfer or demotion per year, providing a vacancy exists.

Section 12:4 – Criteria for Selection

Selection for vacancies, transfers, and promotions within the bargaining unit shall be made on the basis of bargaining unit seniority and qualifications. Qualifications shall be defined as the minimum requirements for the work described in the related job description of a given position. The City has the right to use applicable testing in their selection process. Qualifications may be determined in-part by written and/or performance examinations.

The City agrees that it will allow and honor use of previously frozen bargaining unit seniority for purposes of bidding on bargaining unit job openings. Frozen seniority is defined as seniority previously earned in a bargaining unit position and held by an employee not currently in a bargaining unit position.

Section 12:5 – Trial Period

The employee awarded the position shall be granted a trial period of up to thirty (30) days to further determine his ability to perform the job. At any time during the trial period, the employee may request to revert back to his former classification, if open, without loss of seniority or pay.

If the City deems the employee unsatisfactory in the new position, notice and reasons shall be submitted to the employee in writing by the City, with a copy to the Union. The matter then may become a proper subject of the grievance procedure. However, in the event that the employee is returned to the former department and/or classification in accordance with this provision, said employee will be reinstated to his/her former position and department, without loss of seniority, including that which s/he would have accumulated during the trial period. Any employee who is returned to a former position under this provision shall receive the rate of pay s/he would have been eligible to receive had s/he not been promoted.

A promoted employee serving a trial period in a new position shall be entitled to receive any scheduled general wage increase, but shall not receive any step increase that might have occurred from the prior position until such time as a step increase is warranted in the new position according to the terms of the step scale.

This section will not prevent an employee from bidding on or being awarded other jobs that may arise during the trial period.

Section 12:6 – Pay Status Placement

When an employee enters into this unit, the employee shall be placed at the lowest rate of pay in the higher classification which reflects an increase from the employee's current rate of pay in the former classification.

Section 12:7 – Job Descriptions

Whenever the City establishes a new classification or modifies an existing classification within the collective bargaining unit, the Union's Business Representative and Stewards shall be provided with a copy of the job description and the rate of pay assigned to the classification. The Union shall have ten (10) working days from receipt of such notification to object to the assigned rate. If no objection is filed with the City's Director of Human Resources within this period of time, the rate shall be deemed to be permanent. Should the Union timely object to the rate of pay assigned to a new classification, representatives of the City and the Union shall meet within ten (10) working days, unless otherwise mutually agreed, to negotiate the pay rate. If the parties are unable to agree on the rate, it shall be subject to the Grievance procedure.

ARTICLE 13 SICK LEAVE

Section 13:1 – Sick Leave

1. A regular full-time employee shall be entitled to six and two-thirds (6.67) hours of paid sick leave per month of active service beginning on his/her initial day of employment with unlimited accumulation. A month of active service is completed when the employee has been compensated for ten (10) days in a given month.

2. Any employee who is on sick leave shall be entitled to all fringe benefits as if they were working, but shall not accrue vacation days or personal holidays for such period of sick time use, which extends beyond sixty (60) working days.
3. Sick Leave shall be computed at the rate of time used in increments of not less than one (1) hour.
 - a. Each work group shall have a notification procedure designating an individual to be notified in cases of illness. An employee shall notify the designated person by phone or voice mail before the start of the workday. In cases of emergency, notification shall be as soon as possible.

If an employee returns to work after an illness and it is felt that he has not recovered sufficiently from such illness to continue working, he may be required to furnish a doctor's statement verifying that he is able to return to work and/or be subject to examination by the City-selected physician at the City's cost.

Section 13:2 – Sick Leave/Verification

Any employee off sick shall cooperate in furnishing information to verify such sickness. It will be expected that such employees will normally be confined to their homes, unless in a hospital or seeking medical assistance; and if a designated agent of the City calls at the home of a person off on sick leave and the employee is not at home, or is suspected of abuse of sick leave, such employee may be required to furnish a doctor's certificate or statement verifying such illness or whereabouts at the time contacted.

Section 13:3 – Sick Leave/Workers' Disability Compensation

Any employee who becomes so disabled under circumstances where there is or may be a dispute as to whether his disability is covered by the Michigan Workers' Disability Compensation Act, employee may use his/her accumulated sick leave benefits. If employee is later awarded workers' disability compensation benefits, the employee will reimburse the City for sick leave used for such period.

The Family and Medical Leave Act and a leave of absence covered by Worker's Disability Compensation will run concurrently.

Section 13:4 – Sick Leave/Family

Accumulated sick leave may be used by the employee for family sickness. Family shall be as defined by the Family and Medical Leave Act.

Section 13:5 – Sick Leave Payout

Upon elimination of sick leave payout and within twenty (20) days of the ratification and approval of this contract, a 37% cash out option is available to those who are eligible to retire on or before June 30, 2016, and a 25% cash out option will be available to all other members.

ARTICLE 14 LEAVES OF ABSENCE

Section 14:1 – Personal Leaves of Absence

Personal leaves of absence without pay may be granted to full-time permanent employees when recommended by the division director and approved by the City Manager for periods up to thirty (30) calendar days.

On review, such leaves may be extended for good and valid reasons when recommended by the division director and approved by the City Manager. Leaves of absence without pay shall not exceed a total of ninety (90) days, except at the sole discretion of the City Manager.

A leave of absence shall not be granted to an employee receiving social security or a pension merely to stay within the minimum earning requirements thereof.

Employees shall not accrue seniority while on an unpaid leave of absence, except for the first thirty (30) calendar days. The City shall not be obligated to provide health insurance for unpaid leaves of absence except as otherwise noted in this Agreement (i.e. layoffs, short-term disability). Employee will not accrue vacation, sick leave, and personal days while on an unpaid leave of absence.

At the termination of the employee's unpaid leave of absence, the employee shall be allowed to return to his/her former position at the level and step he/she was in at the time he/she requested such unpaid leave, unless said position was eliminated in the interim, then the employee shall be entitled to exercise his/her bumping rights.

If the leave falls under the provisions of the Family and Medical Leave Act (FMLA), then it shall run concurrently.

Section 14:2 – Family and Medical Leave Act (FMLA)

The City of Bay City will provide permanent employees with family and medical leave consistent with the provisions of the Family and Medical Leave Act (FMLA) of 1993. Consistent with City policy, employees exercising their rights under the FMLA shall be required to use their paid leave concurrent with the FMLA leave.

Section 14:3 – Funeral Leave

Five (5) paid consecutive work days, to be used at the time of the funeral only, shall be granted to an employee in the case of the death of his/her spouse.

Three (3) paid consecutive work days, to be used at the time of the funeral only, shall be granted to an employee in the case of the death of a member of his/her immediate family. An additional paid day shall be granted if the funeral is more than 300 miles from Bay City.

The immediate family, for this purpose, shall be: son, daughter, foster child, mother, father, sister, brother, grandmother, grandfather, grandchildren, mother-in-law, father-in-law, son-in-law, daughter-in-law, and step relatives of the same degree as herein.

One (1) paid day (day of the funeral) will be granted for brother-in-law, sister-in-law, and grandparent-in-law.

Section 14:4 – Veteran’s Funeral Leave

Where requested by proper official of a recognized Veteran's organization, an employee may be granted reasonable time off, without pay, to attend a veteran's funeral or civic affair, as a representative of the Veteran's organization, when approved by the City Manager, and where in the opinion of the department involved, their operations will not be adversely affected.

Section 14:5- Public Office

Employees may have time off, without pay, to perform certain duties required by the holding of a public office or to engage in charitable activities with the approval of the City Manager, and where in the opinion of the department involved, their operations will not be adversely affected.

Section 14:6 – Military Leave

A. An employee shall be entitled to time off, without pay, for that period of time when required to be in the armed services, including the National Guard Members of the National Guard or Reserve Units, while on active training shall be entitled to up to two (2) weeks military leave per year at full pay and with all fringe benefits; provided, that the employee shall account for all payments received for such service.

Employees who are called for a physical for the Armed Services are to be granted leave without pay (or may use vacation) for the day of the physical. The Uniformed Service Employment and Reemployment Rights Act (USERRA) of 1994 may apply.

B. An employee who did not work the entire calendar year as a result of serving in the armed services, including the National Guard or Reserve Units will be eligible for their full vacation accrual in accordance with Section 15:1 Vacation. In addition, they will be eligible for their entire personal day accrual in accordance with Section 15:2 Personal Days/Paid.

Section 14:7 – Jury/Court Leave

Any employee who serves as a juror, or as a subpoenaed witness in a criminal or civil proceeding arising from or attributable to the specific performance of their work duties, or as a result of their interest in or compulsion to testify in a proceeding filed on behalf of the City, in any court, shall receive full pay from the City upon paying any and all juror and/or witness fees to the City Treasurer.

Section 14:8 – Maternity/Parental Leave

Permanent employees shall be allowed up to a six (6) months leave of absence for childbirth or adoption of a child. Leaves of absence for childbirth shall be granted upon written request through the proper department head on approval of the City Manager.

Said employee may elect to use accrued sick leave and/or vacation time for paid leaves of absence for childbirth. If a longer leave is desired, the employee shall be granted a leave of absence for childbirth, without pay. However, the total aggregate maternity/parental leave shall not exceed six (6) months.

A request for maternity/parental leave shall be submitted in writing to the proper department head thirty (30) days prior to the date the leave is to begin, provided the need for the leave is foreseeable. In the event the need for the leave is not foreseeable, the employee shall provide such notice as is practical.

In the event that both a husband and wife work for the City of Bay City, the total aggregate number of months to which both may be entitled to for maternity/parental leave shall be six (6).

Whenever a female employee shall become pregnant, she shall furnish her department head correspondence from her physician indicating the approximate date of delivery and stating any restrictions on the nature of the work she may be able to perform, and the length of time she may be able to work. With her physician's approval, she may be allowed to work up until her physician recommends that she take her leave.

City paid insurance coverage will continue to be paid during the first twelve (12) work weeks after the employee is on unpaid maternity/parental leave. In the event that an employee's unpaid leave continues beyond the initial twelve (12) workweeks, the employee may continue on the City's group hospitalization plan for a period not to exceed an additional twelve (12) workweeks with said employee paying the premiums monthly and in advance monthly.

Provisions of the Family and Medical Leave Act (FMLA) shall run concurrently.

Section 14:9 – Union Leave

Leaves of absence without pay may be granted to any employee elected or selected by the Union to attend educational classes, conventions or other Union functions conducted by the Union. Notice will be given to the City as early as possible. The number will not exceed two (2) employees at any one time, and the number of working days will not exceed five (5) days per employee in any one (1) calendar year. No more than ten (10) days may be taken in any one (1) year for all union educational classes and conventions. All fringe benefits and leave accruals will continue to be paid by the City during such leaves. Approval of Union Leaves will not be unreasonably denied.

Section 14:10 – General Provisions/Accounting for Compensation

Where an employee is granted leave with pay on condition that s/he shall account for compensation received during said leave, it shall mean that s/he is entitled to receive payment from the City of only the difference between such compensation and his regular pay for that period. This is not to be construed as requiring accounting for payment in excess of City pay. Where arranged for in advance, such payment may be accomplished by the issuance of regular City pay for the period and the employee turning over the other compensation received to the City forthwith upon receipt.

ARTICLE 15 VACATION AND PERSONAL DAYS

Section 15:1 – Vacation

1. (a) Effective January 1, 2005, each full-time employee shall be allowed vacation leave with pay. Vacation for new hires is pro-rated at one-day for each month the employee is on the payroll in the year of hire, and is provided on January 1 of the year following their hire date to be used during such year.

The vacation schedule is as follows:

<u>Completion of Continuous Service</u>	<u>Eligibility/Allowance on January 1 following Anniversary</u>
One (1) year	12 Days (96 Hours)
Three (3) years	15 Days (120 Hours)
Five (5) years or greater	20 Days (160 Hours)

- (b) Eligibility for vacation days assumes the employee works the entire year. A month of service is completed when an employee has been compensated for at eighty (80) hours in any given month.
2. (a) An employee shall receive regular pay and all fringe benefits while on vacation that he/she would have received had he/she been working. However, it is the intent of this contract to encourage the employee to take their vacation time, and in accordance therewith, the employee is not allowed to work for the City during his/her vacation time. In other words, the City may not pay his/her regular vacation time and his/her regular pay for the same period, subject to the exceptions listed in (b) and (c) below.
 - (b) On separation from employment, the employee is paid whatever vacation time he/she is eligible for during the year in which he/she either retires or leaves employment of the City. In the event an employee dies during the calendar year under consideration, his/her survivor-in-interest will be paid an allowance for any unused portion of the vacation to which he/she would be entitled, as if he/she were working. Formula for payout shall be the current January 1 beginning balance including any approved carry over amount, if applicable, plus current year earned, minus usage.

The current year earned is calculated using the vacation allowance provided on January 1 divided by twelve (12) months per year times the number of months the employee worked at least eighty (80) hours in the year of separation (example: $20 \div 12 = 1.67 \times n$).

- (c) Where an employee is unable to take his earned vacation or personal holidays for reasons of sickness or disability, and is off work on sick leave or worker's disability compensation which continues to the end of the calendar year, he may then be paid for all vacation he earned in lieu of the vacation time lost.
3. Vacations shall be taken in the calendar year in which earned and may not be carried over to the next calendar year, except:
- (a) In the event of a non-duty injury/disability, employee (with division director approval) may charge time off against vacation after exhausting all accumulated sick leave.
 - (b) In the event of unusual circumstances and on a case by case basis where advance request is made, unused vacation time may be carried over into the next calendar year upon approval from the Director of Human Resources. Request for carry over shall be filed with the Director of Human Resources on or before December 1 of the calendar year. (Exceptions may be made in light of extenuating circumstances).
 - (c) Payout (straight-time) for unused vacation hours up to forty percent (40%) of the total earned that year shall be paid in the month of January immediately following the calendar year for which accrued. Request for payout shall be filed with the city manager or designee on or before December 20 of each year.
4. All vacations shall be scheduled by the division director involved. Conflicts with scheduling vacations shall be determined by seniority of the employees and in accordance with the operating requirements of the department involved. The division director shall determine how many employees in each classification may be on vacation at any one time.

Section 15:2 – Personal Days/Paid

Employees will be entitled to three (3) paid Personal Days per calendar year (24 hours), which will be provided on January 1. Employees hired on or after July 1 will be entitled to one (1) personal day (8 hours) for that first year, after which time they will be entitled to the full amount.

Personal days are to be taken as desired by the individual employee, subject to the operating requirements of the division director and are to be taken in the year earned and may not be accumulated. Upon separation from employment, employee will be paid for any unused Personal Day(s).

**ARTICLE 16
HOLIDAYS**

Section 16:1 – Holidays

Holiday pay is compensation for the time during which work would normally be performed, said work having been suspended by reason of a holiday. The following shall be paid holidays recognized by the City. The City will determine the actual date the following holidays will be observed.

New Year's Day	Fourth of July	Christmas Eve Day
Martin Luther King, Jr. Day	Labor Day	Christmas Day
Good Friday	Thanksgiving Day	New Year's Eve Day
Memorial Day	Day after Thanksgiving	

Section 16:2 – Holiday during Vacation/Sick Leave

When a holiday falls on a day where an employee is on vacation or sick leave, the employee shall not be charged for a vacation or sick leave day, and will receive holiday pay for the holiday.

Section 16:3 – Holiday Eligibility

An employee must be on the payroll (working, vacation or sick leave) the day before and the day after the holiday in order to receive pay or credit for the holiday, excepting therefrom a disciplinary suspension which concludes the day before the holiday or commences the day after the holiday.

**ARTICLE 17
INSURANCES**

Section 17:1 – Health Insurance/Full-time Employees

Until such time as the terms and conditions of the coverage program detailed herein can be implemented, the City will continue to provide bargaining unit members and their dependents with the same coverage as was in effect prior to the commencement of this agreement.

Effective as soon as can be implemented following the signing of this agreement, the City will provide all full-time employees and their eligible dependents with BC/BS Flexible Blue Plan 2 High health care coverage and Rx 5/30/60, or an equivalent coverage program, with the City of Bay City funding a Health Savings Account (HSA) for the deductible (as identified in the chart below).

BCBS Flexible Blue Plan 2 high deductible health care coverage does not coordinate with Medicare, therefore any participants enrolled in Medicare, both active and pre-65 retirees, will be placed on the BCBS 2+1 Supplemental Plan or equivalent.

1. Employee Premium Contribution:

Upon ratification and approval of the 2013-2016 collective bargaining agreement, full-time employees shall have automatically deducted, from each payroll check, for each bi-weekly payroll period, the amount established, "pre-tax", which sums shall be used by the City exclusively for the payment of health care coverage costs as follows: in accordance with Public Act 152. This amount will be established based on either the "Hard Cap" option, or the 80/20 option.

Regardless of applicable Public Act 152 deductions, employees will be responsible to pay a minimum of twenty percent (20%) of the health care illustrative rates on a "pre-tax", bi-weekly basis.

In the event of any change in illustrative rates, effective each January, it is mutually agreed that the City will notify all members of any change in illustrative costs at least thirty (30) days prior to the rates taking effect.

2. Employer Contribution:

Additionally, the City shall contribute annually, the amount established, which sums shall be deposited into an employee-owned Health Savings Account (HSA) exclusively as follows:

Coverage	Effective 1/1/14	Effective 1/1/15	Effective 1/1/16
Single	\$1,250	\$1,250	\$1,250
Two Person	\$2,500	\$2,500	\$2,500
Family	\$2,500	\$2,500	\$2,500

In the event that the insurance carrier increases the annual deductible amount due to IRS Regulation changes beginning January 1, 2014 forward, it is mutually agreed that the employee and the City will share the cost difference of the increase, with each party contributing half of the deductible increase. The City also agrees to notify all members of any deductible increases at least 30 days prior to the effective date of the increase.

As a result of a comprehensive set of rules imposed upon employers through the Patient Protection and Affordable Care Act a reopener of employee health care will take place prior to tax liabilities being imposed, in an effort to mitigate employer tax liabilities.

A City employee married to another City employee that participate in City-provided health care will both be on one health care contract in the name of the employee who was hired first and they will be subject to the health care costs in accordance with that collective bargaining agreement.

Section 17:2 - Continuation of Insurance

The City will continue to pay the cost associated with all of the described insurance program coverage for a period of six (6) months from day of layoff or reduction in force of employment.

Section 17:3 – Health Insurance/Retirees

A. Eligibility

To be eligible for the City's health care coverage, employees hired prior to October 1, 2010, must retire from active employment with ten (10) or more years of City service. The retiree and/or dependents **MUST** be enrolled in the City's health plan at the time of retirement. If a retiree cancels coverage for any reason, the retiree and/or dependents will no longer be eligible to re-enroll in the City's retiree health plan. Spouses of deceased retirees remain eligible so long as they are on the City's health plan at the time of the retiree's death and do not remarry. If the deceased former employee's spouse remarries, their new spouse and/or **new** dependents will not be eligible for the City's health plan.

Employees hired, transferred or promoted into this bargaining unit on or after October 1, 2010, are not eligible for City-provided healthcare at retirement, unless they already received it under another City collective bargaining agreement (no gain no loss). For employees hired after October 1, 2010, the City will establish a Retirement Health Savings (RHS) Plan for those employees not eligible for retiree health care.

B. Pre-65 Retirees

The City will provide health care coverage to eligible Pre-65 retirees (who retire from active employment) and their IRS dependents with Blue Cross/Blue Shield "Flexible Blue Plan 2" high deductible health care coverage or an equivalent coverage program with the City of Bay City funding an HSA for the deductible (as identified in the chart above). For those retirees that retire with 20+ years of service, they will contribute to the cost of healthcare at a rate equal to their monthly premium share at the time of retirement. Employees who retire after 11:59 p.m. on June 30, 2014, will pay 20% of the premium on a monthly basis (based on illustrative rates).

An employee who receives a duty-disability retirement as the result of an injury or who is killed on-duty while in performance of his/her duties shall be considered to have achieved twenty (20) years of service.

Retirees who retire before June 30, 2014 will be eligible for Pre-65 healthcare under the following schedule:

<u>Years of City Service</u>	<u>Employee Pays</u>
10-14	40% of monthly illustrative rate
15-19	25% of monthly illustrative rate
20+	Monthly premium share at retirement

Retirees who retire after June 30, 2014 will be eligible for Pre-65 healthcare under the following schedule:

<u>Years of City Service</u>	<u>Employee Pays</u>
15-19	25% of monthly illustrative rate
20+	20% of monthly illustrative rate

For the purpose of this provision, employees re-hired within twelve (12) months of separation shall be deemed to have continuous service.

The subrogation provision is in effect for pre-65 retirees receiving City health care.

C. Post-65 Retirees

Post-65 Retirees are required to participate in the Medicare Programs Part A&B. Thereafter, those retirees eligible for the City's health care shall receive the City's Post-65 NEBCO or equivalent retiree health coverage according to the applicable co-insurance percentage listed below. The City's Post-65 health plan shall supplement Medicare coverage and the retiree shall be responsible to participate in and pay for their Medicare "Part B" premium. Post-65 retirees will be automatically enrolled in the City's Medicare "Part D" plan at no additional charge to the retiree. An employee who receives a duty-disability retirement as the result of an injury or who is killed on-duty while in performance of his/her duties shall be considered to have achieved twenty (20) years of service. Regardless of pension eligibility under the Michigan Employees Retirement System (MERS), an employee retiring shall pay the following premium contributions on a monthly basis (based on illustrative rates provided by the vendor):

Chart for employees who retire before June 30, 2014:

<u>Years of City Service</u>	<u>Employee Pays</u>
10-14	40% of monthly illustrative rate
15-19	25% of monthly illustrative rate
20+	8% of monthly illustrative rate

Chart for employees who retire after June 30, 2014:

<u>Years of City Service</u>	<u>Employee Pays</u>
15-19	25% of monthly illustrative rate
20+	20% of monthly illustrative rate

For the purpose of this provision, employees re-hired within twelve (12) months of separation shall be deemed to have continuous service.

D. Retirement Health Savings (RHS) Plan

Employees hired, transferred or promoted on or after October 1, 2010, who are not eligible for City-provided health care at retirement, shall be eligible to participate in a Retirement Health Savings Plan. The City will contribute 6% of an employee's gross wages on a bi-weekly basis, into a self-directed, qualified plan, that shall be transportable and provide 50% vesting after ten (10) years of employment, with a 5% annual increase until the employee is 100% vested after twenty (20) years of employment.

An employee who receives a duty disability retirement as the result of an injury shall be considered to have achieved twenty (20) years of service and will be 100% vested in the Retiree Health Savings Plan at the time of their duty disability retirement. Accordingly, the beneficiary of an employee who is killed while on-duty and performing his/her duties will be 100% vested in the Retiree Health Savings Plan.

Section 17:4 – Health Insurance Stipend

- A. Full-time, active employees or future retirees who are eligible for City-provided health care coverage and choose to not participate and waive such coverage, shall receive a stipend (in lieu of health care coverage) of one hundred fifty dollars (\$150) per month, paid monthly, for each and every month that such coverage is declined.
- B. An active employee who declines health insurance coverage shall have the opportunity to resume coverage during the calendar year if the alternative coverage is no longer available to the employee or at the next "open enrollment" period under any circumstances. In such case, the monthly payment in lieu of coverage will cease and the City's health care coverage will be reinstated effective the first of the month following written notice to the City of the employee's desire to re-enroll.
- C. An employee shall be given a one-time irrevocable choice to opt into retiree healthcare at the time of retirement. If at the time of retirement the employee continues to waive retiree health insurance, he/she shall not be eligible to receive the stipend.

If an employee retires and continues, or opts into retiree healthcare on the date of retirement, and later chooses to waive his or her healthcare, he/she shall be eligible for the stipend but will no longer be eligible to re-enroll into the City's retiree health care.

Section 17:5 – Subrogation Clause

If an employee suffers a non-duty injury as the result of the actions of a third party that results in an absence from work that extends beyond 480 hours, or because of his/her injury elects to receive a non-duty disability retirement, or other benefit payable by the retirement system, the City shall be subrogated to the rights of the person against such third party only as to that employee's claim for health care expenses, and limited to the extent of the health benefits to which the City pays or becomes liable to pay.

Section 17:6 – Dental Insurance

The City shall provide employees and their eligible dependants with a dental insurance plan which covers one hundred percent (100%) preventative care, seventy-five percent (75%) basic care, fifty percent (50%) major dental care, and has a one thousand dollar (\$1,000) annual maximum, with a fifty dollar (\$50) deductible (waived if preventative care) per person, per benefit year.

Section 17:7 – Workers' Disability Compensation Insurance

The City will provide fully-paid Worker's Disability Compensation insurance. In addition, the City will supplement worker's disability compensation payments for those employees who remain eligible (note: eligibility disputes will be determined by the Michigan State Workers Disability Compensation Bureau, Lansing, Michigan) for same due to a work-related injury in an amount equal to the difference between the workers disability compensation payment received and eighty percent (80%) of the employee's gross base weekly wage for up to Thirty-six (36) months. Thereafter, the Workers' Disability compensation rate in accordance with the state statute will continue.

After ninety (90) continuous days of worker's disability compensation, the employee will cease to earn and accrue both sick leave and vacation days unless the employee is compensated for a minimum of ten (10) days in a given month.

All other fringe benefits normally attributed to a working employee, including hospitalization, will continue for the period extending beyond ninety (90) days, and for as long as said employee remains eligible for worker's compensation wage payments. Thereafter, only hospitalization coverage shall continue.

A work related injury covered by the Worker compensation and Disability Act shall run concurrently according to the provisions of the Family Medical Leave Act (FMLA) and City policy.

Section 17:8 – Life and AD&D Insurance

The City shall provide all full-time bargaining unit employees with fully paid life insurance to the nearest \$5,000 of base annual salary or \$50,000 whichever is greater. Employees shall also receive an Accidental Death and Dismemberment (AD&D) rider of like value.

Section 17:9 – Short Term Disability Insurance

The City will provide full-time employees with short-term disability coverage at sixty-six percent (66%) of base salary commencing on the first day after a non- work-related accident, first day of hospitalization, or eight (8) days after a non- work-related illness. Such short-term program shall continue in effect until the employee is eligible to return-to-work upon the release by the treating physician or twenty-six (26) weeks, whichever occurs first.

While employees are eligible for the Family & Medical Leave Act (FMLA) they will be required to supplement their short-term disability benefits through the use of accrued sick time (in combination) to a maximum compensation equal to one hundred percent (100%) of their salary/or base wage.

Short Term Disability Leave shall run concurrently according to the provisions of the Family & Medical Leave Act (FMLA) and City policy.

Healthcare will continue during the period an employee is covered by short-term disability.

ARTICLE 18 RETIREMENT

Section 18:1 – Retirement Benefits

1. Full-time employees hired prior to September 1, 1997, shall be eligible for the Municipal Employees Retirement System (MERS) Defined Benefit program currently in place (B-4, FAC-3, V10, F25, and 60/10). The employee contribution co-pay is three percent (3%) of employee's gross wages. As permitted under the current MERS plan, vested employees may purchase (exclusively at their own cost) up to five (5) years of generic time. This is a closed plan.
2. New employees hired into the bargaining unit on or after September 1, 1997, shall receive pension/retirement benefits equal to a defined contribution program administered by MERS/ICMA Retirement Corporation which shall require one of the following pre-tax option pension plans:

Option A – The City shall contribute five percent (5%) of the employee's gross wages, along with an employee contribution of zero percent (0%) shall be transferred and deposited on a bi-weekly basis into a self-directed, qualified plan, which shall be transportable and provide immediate vesting.

Option B - The City shall contribute eight and one-half percent (8.5%) of the employee's gross wages, with an employee contribution of three percent (3%) shall be transferred and deposited on a bi-weekly basis, into a self-directed, qualified plan, which shall be transportable and provide fifty percent (50%) vesting after the second year of employment; and one hundred percent (100%) vesting after the fourth year of City employment. (Under this plan the maximum

aggregate employer and employee contribution would combine to total eleven and one-half percent 11½ % of yearly gross wages.)

Section 18:2 – Retirement Savings Programs

The City may offer retirement savings plans such as a 457 deferred compensation plan, Payroll Roth IRA, etc., in which the employee may voluntarily participate. Upon written authorization from the employee, the City shall deduct from the salary of the employee and make appropriate remittance to the respective plan(s).

ARTICLE 19 FIT FOR DUTY EXAM AND WELLNESS PROGRAM

Section 19:1 – Fit for Duty Examinations

If an employee is believed to be physically or mentally unfit for work, employee may be required to undergo an examination from the City physician (or other healthcare provider) at the direction and expense of the City. If the City-provided physician disagrees with the employee's physician, a third opinion from a mutually agreeable physician may be requested with the employee and City equally sharing the cost.

Section 19:2 – Wellness Program

The City shall provide an annual reimbursement to members of this bargaining unit who join a fitness center, recreational facility or gym. This payment shall be made in the first pay period of the fiscal year which begins on July 1.

Reimbursement is limited to ten dollars (\$10) per month for each month of membership or \$120 per year for a 12 month membership. Employees will receive their reimbursement check annually. Employees are responsible for costs beyond \$10 per month or \$120 per year.

ARTICLE 20 WAGES, GAINSHARING, SALE/PRIVATIZATION OF ELECTRIC UTILITY

Section 20:1 – Wages

Effective July 1, 2013, full-time employees currently on the payroll will receive a 0% increase to their base wage.

Effective July 1, 2014, full-time employees currently on the payroll will receive a 0% increase to their base wage.

Effective July 1, 2015, full-time employees currently on the payroll will receive a 2% increase to their base wage. This will be subject to the boiler plate language.

Effective July 1, 2016, full-time employees currently on the payroll will receive a 2% increase to their base wage. This will be subject to the boiler plate language.

Boiler Plate Language:

1. Local #214 Supervisory employees shall receive a base wage increase of 2% or a portion thereof if:
 - a) The General Fund experiences an increase, from the previous year's audited financial statement, in the unrestricted fund balance ("available amount") and;
 - b) The collective base wage increase and related fringe benefits ("collective cost") for Local #214 Supervisory employees and other eligible employees in the General Fund shall not exceed the "available amount".
2. If the "collective cost" exceeds the "available amount", Local #214 Supervisory employees shall have their base wage increase reduced by a prorated amount to ensure "collective cost" does not exceed "available amount".
3. The "available amount" would be known after the annual audited financial statements are filed with the State of Michigan.
4. Base wage increases will not proceed if the "available amount" is not in excess of \$10,000.

Section 20:2 – Temporary Promotion

In the event of a management vacancy that is expected to last for a duration of ten (10) days or more, the Director of Human Resources and City Manager may choose to award a temporary promotion to a member in order to maintain the appropriate level of City service. Temporary promotions shall include a wage increase commensurate with duty expectations but no less than a 10% wage increase.

Section 20:3 - Gainsharing (Electric Department)

The City and Union agree that only the people in the positions of Electric Operations Superintendent and Assistant Director of General Services (at the time this agreement is approved by the City Commission) is eligible to share in certain auditor-determined net surplus (if in existence) of the utility, as produced for said same contract year. This compensation which shall be referred to as "Gainsharing" shall be an annualized payment, paid out in lump-sum form, or at the employee's election, deposited into his/her designated ICMA-RC 457 account, not before December 1 nor after December 15 of each year of the duration of this contract, and shall be calculated as follows:

1. For Electric Department bargaining unit employees actively employed for the entire twelve (12) month contract period: eligible employees shall receive an amount equal to that amount calculated for, and paid to, members of U.W.U.A. Local #482 times 1.07 (7% greater than Local 482) under the terms of Section 42.2(b) of the collective bargaining agreement between the City of Bay City and U.W.U.A. Local #482 expiring June 30 for each fiscal/contract year.
2. For Electric Department bargaining unit employees actively employed for not-less-than six (6) months of the entire twelve (12) month contract period: eligible employees shall

receive an amount equal to the lump-sum calculation determined above, multiplied by a fraction equal to the number of months actively employed (rounded to the nearest whole month) divided by twelve (12).

It is also understood that this section will be eliminated when this employee is no longer with the Electric Utility or when this provision is removed from the Local #482 Collective Bargaining Agreement, whichever occurs first.

Section 20:4 – Electric Utility/Severance Package for Sale/Privatization of Utility

- A. In the event that the City effectuates the privatization and/or sale of the Utility (Bay City Electric Light & Power), the City agrees to provide a severance pay package to the people in the positions of Electric Operations Superintendent and Assistant Director of General Services (at the time this agreement is approved by the City Commission-2005) only if this employee fails to be rehired by the purchasing entity within thirty days of the execution of the sale. Additionally, this section will be eliminated when these employees are no longer with the Electric Utility or when this language is removed from the Local #482 Collective Bargaining Agreement, whichever occurs first.
- B. The severance pay-out, in lump-sum cash, will be equal to one (1) year total wages based on the most recently completed calendar year. This severance package, shall be discounted by the following factors:

Employees rehired within thirty (30) days of sale but paid a new wage rate:

- Of 91% to 99% of City base wage rate at time of sale equal 20% of total
- Of 81% to 90% of City base wage rate at time of sale equal 40% of total
- Of 71% to 80% of City base wage rate at time of sale equal 60% of total
- Of 61% to 70% of City base wage rate at time of sale equal 80% of total
- Of 60% or less of City base wage rate at time of sale equal 100% of total

- C. Further, all employees will receive an additional twenty thousand dollars (\$20,000) lump-sum cash, along with the normal payout of vacation and sick leave accrual.

ARTICLE 21 HOURS OF WORK, TRAVEL EXPENSES, MILEAGE, CITY VEHICLES

Section 21:1 – Hours of Work

The hours of work and staffing needs shall be determined by the City. Members in this unit are administrative "exempt" employees and respected, high-level decision maker. They typically exercise independent judgment over their own work schedule and are expected to commit the time and effort within varying schedules, to adequately fulfill their overall job requirements. This may, at times, require greater than forty (40) hours of effort within a given work week; it may require attendance at evening meetings; and it may result in work demands which require effort beyond the scope of traditional working hours. Conversely, these same respected, semi-autonomous employees can often times, within reason,

facilitate widely-varying needs within their own schedules(s) and deadlines(s) because of their ability for responsible self-direction. The employees in these positions will also be exempt from both overtime and compensatory time.

Administrative "exempt" employees shall be paid a base salary calculated on a per-annum basis, regardless of the quantity or variation of the quality or work performed.

Administrative "exempt" employees shall not receive additional compensation for hours worked in excess of eight (8) hours per day nor forty (40) hours per week. Conversely, such same administrative "exempt" employees shall not suffer deductions in compensation for work days of less than eight (8) hours or work weeks of less than forty (40) hours, when such days/weeks are as a result of absences of less than eight (8) hours in continuous duration. Absences of eight (8) hours or more would require use of vacation, sick or personal time, whichever applies.

Section 21:2 – Travel Expenses

If an employee travels for an approved seminar, conference, workshop, etc., the employee shall be paid and/or reimbursed in accordance with the City's travel policy.

Section 21:3 – Mileage Allowance/Use of Personal Vehicle

The City will reimburse members the amount of the IRS rate per mile for all mileage incurred on their personal vehicles for City business when the supervisor approves the use of a personal vehicle in lieu of a City vehicle. Employees shall be paid and/or reimbursed in accordance with the City's travel policy.

Section 21:4 – City Vehicles

City-owned vehicles may be taken home by members of the bargaining unit if approved by the City Manager or his/her designee.

ARTICLE 22 WORKING CONDITIONS AND SAFETY

Section 22:1 – Working Conditions

The City (the City Manager and his designated representatives) will make every effort to make working in the City of Bay City a safe and accident free environment. To that objective, the City commits to its employees a safe place to work and will see that all employees make working safely a top priority.

All employees will be held accountable for the daily safety performance on the job and for using prescribed safety equipment, if applicable. Any employee involved in any accident shall immediately report said accident to his supervisor and any physical injury sustained therein in accordance with City policy.

If the employee believes his safety is in jeopardy, he may request Union representation, after the City fails to respond a report of same.

Section 22:2 – Safety Equipment and Glasses

- A. Equipment: The City will provide appropriate safety equipment as required. Each employee shall be responsible for the cost of replacing lost or stolen protective/safety equipment provided by the City.
- B. Safety Glasses: The City will contribute one-hundred percent (100%) toward the cost of required (single-vision, bi-focal, tri-focal) safety prescription lenses and frames, allowing for the employee's limited selection from a basic, low-cost model grouping provided by a company determined by the City. However, the City will not contribute toward the cost of the eye examination. The employee must be in a job that requires the wearing of safety eyewear per MIOSHA regulations, and all eyewear must meet federal (ANSI 287.1) standards.

ARTICLE 23 TUITION REIMBURSEMENT

Dependent upon the City having sufficient financial resources and subject to approval by the Director of Human Resources, employees who wish to improve their skills or knowledge for job-related tasks shall meet the following requirements:

- 1. Courses of instruction are limited to those taken at an accredited public educational institution on the employee's own time; before or after working hours.
- 2. There shall be a direct relationship of the course or curriculum being taken to the position or function performed by the employee. Courses applied to an acceptable degree program shall be reimbursed by the City.
- 3. Acceptable Master's Degree programs are described as: Master's in Science Administration with focus on Public Administration, Master's in Public Administration, Master's in Organizational Leadership/Administration, Master's in Business Administration, or any program directly related to their position.
- 4. Reimbursement is limited to four (4) courses per year, per employee, or no more than \$5,000 annually. A year is defined as July 1 through June 30 of the following year.
- 5. By July 1 of each year, the employee must submit a letter of intent for continuing education to the Director of Human Resources. The letter of intent shall include the following information:
 - a.) The name of the educational institution
 - b.) The four (4) courses the employee anticipates taking during the school year
 - c.) Estimated cost of tuition for the four (4) courses

6. After registering for a course(s) for a semester, the employee shall submit an original statement of the course schedule, tuition costs, fees (not including late registration fees), book costs and copies of the complete course descriptions to the Director of Human Resources for his/her approval.

Within ten (10) working days of receiving the above mentioned items, the Director of Human Resources will contact the employee with a decision as to whether or not the course(s) are considered directly related to the position or function performed by the employee and thus, will be considered for reimbursement.

7. After successful completion of a course, the employee must present an original transcript evidencing successful completion of the course(s). An employee must successfully complete the course before the City is responsible to reimburse the employee. Successful completion of the course(s) will be considered a 2.0 or better for undergraduate classes and a 3.0 or better for graduate (master's) classes based on a 4.0 scale. If a class is taken on a "pass/fail" basis, the employee must successfully "pass" and no more than one "pass/fail" course shall be eligible for reimbursement.
8. If an employee enrolls at other than a public institution, the City's obligation for reimbursement shall be limited to the cost which would have been incurred at a public institution.

ARTICLE 24 MISCELLANEOUS

Section 24:1 – Union Visitation

Union officials shall be permitted to visit the premises to discuss Union matters with employees as long as such visit does not unreasonably interfere with the operations of the City.

Section 24:2 – Gender

The masculine pronoun wherever used in this Agreement shall include the feminine pronoun and the singular pronoun, the plural, unless the context clearly requires otherwise.

Section 24:3 – Change of Address

Employees shall notify the respective department director and the Human Resources and Payroll departments, in writing, of any change of domicile address, telephone number, and dependent status within ten (10) calendar days of such change. A post office box number is not acceptable in lieu of such address.

Section 24:4 – Direct Deposit

Employee payroll checks will be directly deposited and become available to the employee on the morning of the respective payday.

Section 24:5 – Copies of Agreement.

The City will provide one (1) copy of this Agreement to the Business Agent of the bargaining unit and one (1) copy shall be available on the City's intranet following final approval by the Union and by the City Commission.

Section 24:6 – Past Practice

The parties agree that this Agreement incorporates their full and complete understanding, and that prior oral agreements or practices are superseded by the terms of this Agreement. The parties further agree that no such oral understanding or practices will be recognized in the future unless committed in writing and signed by the parties as supplement to the Agreement.

Section 24:7 – Notification of New Employees

The City shall notify the Union Stewards whenever a newly hired full-time or part-time employee is added to the bargaining unit. The notice shall include the employee's name, department or program and job classification and date of hire.

ARTICLE 25 SEVERABILITY

If any of the provisions of this Agreement are found to be illegal by a court of competent jurisdiction or statute, said illegal portion may be stricken 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. All other provisions shall remain in full force and effect.

ARTICLE 26 AUTHORITY OF CITY MANAGER

Authority is hereby given to the City Manager and/or Director of Human Resources to negotiate with the Union to implement the policies of this Agreement in the various particulars as established, without prior or subsequent approval of the City Commission.

ARTICLE 27 WAIVER

The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of the right and opportunity are set forth in this Agreement. Therefore, the City and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge and contemplation of either or both of the parties at the time they negotiated or signed this Agreement.

ARTICLE 28 DURATION

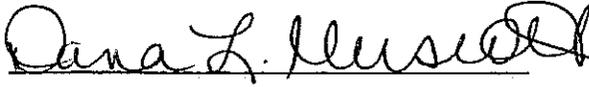
This Agreement shall become effective July 1, 2013 and shall remain in effect until December 30, 2016. It shall automatically renew itself from year to year thereafter unless either party provides written notice to the other not less than ninety (90) days prior to the expiration of this Agreement that it desires to modify or terminate this Agreement. In any event, however, the conditions of employment, including wages and benefits, shall remain in effect until such time as a Labor Agreement is negotiated and/or established.

Unless otherwise stipulated, notice in accordance with this section, shall be given by certified mail. Notices by the Union to the City to be addressed to: City of Bay City, 301 Washington Avenue, Bay City, MI 48708. Notices by the City to the Union to be addressed by to: Teamsters State, County and Municipal Workers Local 214, 2825 Trumbull Avenue, Detroit, MI 48216. Either party may, by like written notice, change the address to which certified mail notice to it shall be given.

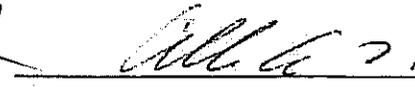
This Agreement was ratified by a vote of Teamsters Local #214, Supervisory Unit at a meeting held for such purpose, in accordance with its bylaws, on July 10, 2013.

FOR THE CITY OF BAY CITY:

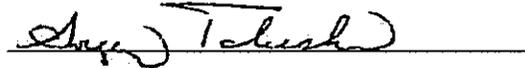
FOR TEAMSTERS, LOCAL #214
SUPERVISORY UNIT:



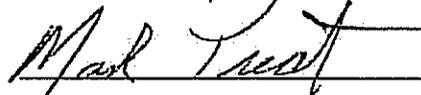
Dana Muscott
Interim City Manager



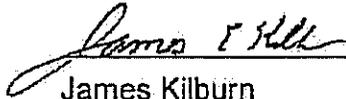
Allen Lewis
Business Representative



Gregory Talicska
Director of Human Resources

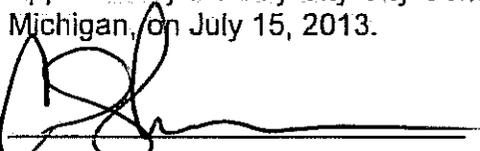


Mark Prevost
Bargaining Committee Member

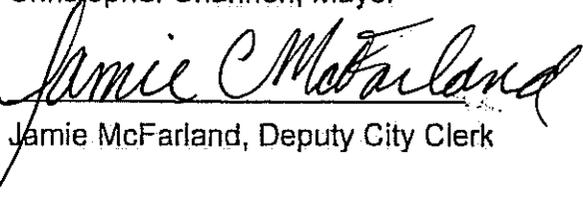


James Kilburn
Bargaining Committee Member

Approved by the Bay City City Commission at a regular meeting held at the City of Bay City, Michigan, on July 15, 2013.



Christopher Shannon, Mayor



Jamie McFarland, Deputy City Clerk

APPENDIX A

CITY OF BAY CITY AND TEAMSTERS LOCAL #214, SUPERVISORY UNIT

Section 2:1 –Recognition

This bargaining unit includes all regular full-time employees in the following positions as certified in MERC Case #L08 C-3007:

Assistant Director of General Services – Electric Department
Assistant Director Information Technology
Chief Accountant
Electric Operations Superintendent
Neighborhood Services Manager
Parks, Building and Grounds Manager
Wastewater Laboratory/IPP Manager
Wastewater Operations Manager