

COLLECTIVE BARGAINING AGREEMENT



Between the

CITY OF BAY CITY, MICHIGAN

And

**UTILITY WORKERS UNION OF AMERICA
LOCAL #541**

**REGARDING TERMS OF EMPLOYMENT, WAGES, HOURS
AND RIGHTS OF THE PARTIES HERETO**

EFFECTIVE 07/01/2014 - 12/31/2017

U.W.U.A. LOCAL #541

**UTILITY WORKERS UNION OF AMERICA AFL-CIO
JULY 1, 2014 – DECEMBER 31, 2017**

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U.W.U.A. LOCAL 541 COLLECTIVE BARGAINING AGREEMENT

7/1/14 – 12/31/17

ARTICLE 1 - PURPOSE OF AGREEMENT

This Agreement is made and entered into by and between the City of Bay City, Michigan, hereinafter referred to as the "City", and Local #541, Utility Workers Union of America, AFL-CIO, hereinafter referred to as the "bargaining unit", pursuant to Act 336 of the Michigan Public Acts of 1947, as amended.

The purpose of the working Agreement between the City and the bargaining unit is to promote and ensure a spirit of mutual confidence, cooperation, economy and efficiency of operation; to set forth the general policy of the City on personnel and procedures; to establish uniform and equitable rates of pay and conditions of work; and to provide a method for the redress of grievances as defined in this Agreement.

The use of the male gender at any place in this Agreement shall automatically and equally include the female gender.

ARTICLE 2 - RECOGNITION

Section 2:1 - Bargaining Units

Pursuant to and in accordance with all applicable provisions of Act 336 of the Michigan Public Acts of 1947, as amended, the City hereby recognizes the Union as the sole and exclusive representatives for the purpose of collective bargaining with respect to wages, hours of employment, and terms and conditions of work for all employees as listed on Appendix 'A', attached herewith, and by reference, made a part hereof.

Classifications created subsequent to approval of this Agreement where the functions, duties and scope of responsibility for the position would be of a nature similar to the functions, duties and scope of responsibility of the positions listed in Appendix 'A' will be subject to negotiations for inclusion in this bargaining unit.

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.

Section 2:3 - Discrimination

No person employed by the City in a classification within the bargaining unit shall be discriminated against in any manner because of race, creed, color, sex, age, national origin, organizational activity, political affiliation or religious belief.

Section 2:4 - Union Security

- A. Present employees and employees hired, rehired, reinstated, or transferred into the bargaining unit after the effective date of this Agreement who signs a dues authorization form, shall pay to the Union, the employee's exclusive collective bargaining representative, an amount of money equal to that paid by other employees in the bargaining unit who are members of the Union which shall be limited to an amount of money equal to the Union's regular and usual dues. Such payments shall commence on the first day following the thirty-first (31st) day of such employee's employment within the bargaining unit. Any employee who has signed a dues authorization form may withdraw such authorization at any time and upon submission of dues authorization withdrawal, the City shall stop withholding of dues.
- B. Union Billboards - the City will provide billboard space for union meeting dates and other union information that is informative to the membership. Those sites shall include: City Hall, City Service Building (Streets & Water), Electric, Wastewater, Water Treatment Plant.
- C. The City shall allow the use of city-owned computers and its email network for the purpose of informing Local #541 members of upcoming meetings. Any such usage will be reviewed and approved by the Director of Human Resources prior to the information being emailed.

Section 2:5 - Deduction of Dues

The City hereby agrees to deduct dues, assessments, and/or initiation fees of the individual employees to the Union as authorized by such employees upon the following terms and conditions:

- A. Each employee who desires to have such dues, assessments, and/or initiation fees deducted from his earnings shall execute the "AUTHORIZATION FOR PAYROLL DEDUCTION" form, as set forth below.
- B. The City shall place such deduction or deductions in effect at the next pay period of the month following receipt of same and continue in accordance with the terms and conditions set forth in the authorization.

- C. The City shall transmit such deduction, together with a list of the employees paying same, to the treasurer of the Union designated in writing by the Union, and shall do so within ten (10) days after the deductions have been made. The Union will indemnify, defend and hold the City harmless against any claims made and against any suit instituted against the City on account of any check-off of Union dues.
- D. Authorization for Payroll Deduction Local #541, Utility Workers Union of America, AFL-CIO, of the City of Bay City.

(Please print) Last Name, First Name, Middle Name

Department/Division, Classification

To the City of Bay City:

I hereby request and authorize you to deduct from my earnings the current initiation fee being charged by the Local #541 Utility Workers Union of America, AFL-CIO of the City of Bay City and any assessments levied by said Union, and to deduct from my earnings, the monthly dues or service fees equal to said initiation fees, dues and assessments as established and certified by said Union. I authorize you to pay the amounts deducted to the treasurer of said Union. This authorization shall remain in full force and effect unless terminated by me, by written notice, to the Union and City.

Date _____ Employee's Signature _____

- E. Employees laid off shall have their dues automatically deducted upon return to their employment with the city. Employees who are enrolled between the 1st and 15th shall pay for the current month. Employees enrolled between the 15th and the end of the month shall pay the following month.

ARTICLE 3 – MANAGEMENT

Section 3:1 - Management Rights

Except when limited by the express provisions elsewhere in the Agreement, nothing in this Agreement shall restrict the City, in the exercise of its functions of management under which it shall have, among others, the right to hire new employees and to direct the working force; to discipline, suspend and discharge for cause; transfer or lay off employees; require employees to observe departmental rules and regulations. It is agreed that these enumerations of management prerogatives shall not be deemed to exclude other rights not enumerated.

Section 3:2 - 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 this Agreement.

Section 3:3 – 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 that 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.

Section 3:4 - Strike Prohibition

The Union and its' members agree to recognize both the letter and intent of Act 379 of Public Acts of 1965, as amended, which specifically prohibits any strike by a public employee during the term of the collective bargaining Agreement. The City agrees not to lock out its' employees during the life of this Agreement.

Any violation of the foregoing may be made the subject of disciplinary action or discharge from employment by the City.

ARTICLE 4 – GRIEVANCE PROCEDURE

Section 4:1 – Investigation

In an effort to avoid unnecessary grievances, the union steward and related potential grievant shall be provided up to two hours, with pay, to investigate grievances. This time off (including the time of departure and return) shall be arranged in advance with the supervisor and shall be granted within two (2) working days.

To clarify said understanding, the Union shall submit, in writing to the supervisor(s), the request for time off. That said request shall identify the possible grievance for which it is investigating. If this time to investigate is delayed by two or more days, the time limits will automatically be extended accordingly.

Section 4:2 - Presentation of Grievance

Prior to the formal presentation in Step 1 below, an employee shall informally present a grievance: (a) either through his/her designated departmental Union representative, or (b) through his own presentation, provided that the bargaining representative has been given the opportunity to be present.

Section 4:3 – Grievance Content

All grievances shall, when required to be in writing, use the standard agreed upon Grievance Request Form and specify:

- A. Name of grievant;
- B. Date of filing;
- C. Date of alleged violation;
- D. Synopsis of events and statements of facts in support of the grievance;
- E. List of known witnesses to alleged contract violation;
- F. Contract Article(s) and Section(s) allegedly violated or rules and regulations claimed to be unreasonable or misapplied;
- G. Adjustment requested.

Section 4:4 – Grievance Procedure

The Union's choice of representation in the following steps will not be affected by the restrictions in the informal step outlined in Section 4:1.

An employee shall present a grievance as follows:

- A. **Step 1 (Submit Grievance to Immediate Supervisor):** An employee (through the Union) or the Union on behalf of one or more employees (or on its own behalf) shall initiate a grievance by submitting such grievance in writing to the supervisor involved within fifteen (15) working days after the occurrence or omission giving rise to the grievance or the grievance shall be considered dropped. The supervisor shall reply in writing within fifteen (15) working days thereafter. If no reply is received from the supervisor within the prescribed time limit, the matter is automatically settled in the Union or employee's favor.
- B. **Step 2 (Submit Grievance to Department Head):** If the supervisor's answer is unsatisfactory, the Union may request a Second Step meeting, in writing, with the department head within fifteen (15) working days of the supervisor's disposition or the grievance shall be considered dropped. A meeting between the department head and the Union shall be arranged within fifteen (15) working days of receipt of a grievance by the department head unless mutually extended. The Union may meet for fifteen (15) minutes immediately prior to the joint meeting. The department head shall provide his/her written response within fifteen (15) working days of the meeting unless mutually extended. First and Second Step processing shall include dates received and dates issued. If no reply is received from the department head within the prescribed time limit, the matter is automatically settled in the Union or employee's favor.

- C. **Step 3 (Submit Grievance to City Manager or Designee):** If the answer of the department head is unsatisfactory to the Union, the Union may request a Third Step meeting, in writing, with the city manager or his designee. Such appeal shall be within fifteen (15) working days of the second step answer or the grievance shall be considered dropped.
- D. The city manager or designee shall meet with the Union within fifteen (15) working days of the presentation of the appeal, unless mutually extended, and the aggrieved employee may attend the meeting. The Union may meet for thirty (30) minutes immediately prior to the joint meeting.
- E. The City shall provide its written response to the grievance within fifteen (15) working days of the meeting unless mutually extended. If no reply is received from the City Manager or designee within the prescribed time limit, the matter is automatically settled in the Union or employees favor.
- F. However, the matter may be submitted by either party to mediation prior to Step 4, arbitration, as hereinafter provided in this agreement. If the grievance is to be submitted to mediation, the sponsoring party shall give notice within fifteen (15) working days to the other party of the intent to mediate. Said mediation is not binding on either party and shall be conducted by the State of Michigan Consumer Industry Services at not cost to either party. At the conclusion of mediation, either party may give notification within fifteen (15) working days to proceed with Step 4, Arbitration.
- G. **Step 4 (Submit to Grievance to Arbitration):** If the grievance is not satisfactorily adjusted in the last preceding step (mediation or Step 3) within the time provided (unless mutually extended), either party shall, within thirty (30) working days, in writing, request binding arbitration or the grievance shall be considered dropped. The parties shall be obligated to proceed with arbitration in the manner hereinafter provided.
1. The arbitration selection process shall be as follows: Within 30 days after execution of this Agreement and annually thereafter, the Union and Employer shall simultaneously exchange the names of eight bona fide labor arbitrators (who are members of the National Academy of Arbitrators, or on the American Arbitration Association or Federal Mediation and Conciliation Service Rolls). Each party shall then have the right to strike five names from the other party's list. The six remaining names shall be the panel of arbitrators to be used in the event of any grievance-arbitration matter.
 2. When the demand for arbitration is received by the Employer, representatives of the Union and Employer shall meet and select the arbitrator as follows: by blind draw or lottery, two of the six shall be drawn. The first name drawn will be the arbitrator and second name drawn will be the alternate, in the event the first arbitrator refuses or is unable to serve.

3. The arbitrator will be requested to serve, provide dates for the hearing, and provide a copy of his/her fee schedule. Copies of the grievance, answer and the grievance-arbitration procedure shall accompany the letter.
4. 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.
5. The City and the Union agree to share equally the expenses of the Arbitrator.

Section 4:5 - Grievances/Resolution

Any and all grievances resolved at any step of the grievance procedure as contained in this Agreement shall be final and binding on the City, the Union, and any and all unit employees involved in the particular grievance.

Section 4:6 - Grievance Rights of Management

The City shall have the right to the grievance procedure, if so desired, and in accordance with the following provisions: the City will present any grievance to the Union by written appeal to the Union Executive Committee.

A meeting shall take place within fifteen (15) working days of receipt of the appeal.

An answer shall be forwarded by the Union's Executive Committee to the city manager or his designee as head administrative officer for the City within fifteen (15) working days.

If the answer of the Union Executive Committee is unsatisfactory to the City, both parties agree that the City may invoke Step 4 of the grievance procedure as outlined in Section 4:4.

Section 4:7 - Grievance Rights of the Union

The executive board of the Union shall have the right to the grievance procedure, if so desired, in accordance with the following position: the executive board will present any grievance to the city manager or his designee by written appeal to the city manager.

A meeting shall take place within fifteen (15) working days of receipt of the appeal.

An answer shall be forwarded by the city manager or designee to the Union executive committee within fifteen (15) working days.

If the answer of the city manager or designee is unsatisfactory to the executive board, both parties agree that the executive board may invoke Step 4 (arbitration) of the grievance procedure outlined in Section 4:4.

Section 4:8 - Grievance, Failure to Appeal/Answer

Failure on the part of the Union to appeal the employer's answer within the time limits shall be construed as the Union's acceptance of the employer's last answer, and the grievance shall be considered closed.

In the event the City fails to comply with the time limits, it shall be construed as in favor of the Union, and the grievance shall be awarded to the Union.

Section 4:9 - Grievance Pay

Grievance meetings between the City and the Union shall be with pay. 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 hour, with pay, immediately prior to the arbitration meeting.

ARTICLE 5 – REPRESENTATION

Section 5:1 - Grievance Committee

The Union shall be represented in all grievances by a committee of the Union. The committee shall be composed of:

First Step: aggrieved and one (1) additional union representative

Second Step: aggrieved and two (2) additional union representatives

Third Step: aggrieved and up to two (2) union representatives

Arbitration: aggrieved and up to three (3) union representatives

Section 5:2 - Union Stewards

Employees in the bargaining unit shall be represented by a unit union representative, who shall handle the investigation and presentation of grievances for his area of responsibility. In the absence of a unit union representative, steward, or steward from another unit, any elected Union officer may act in his stead.

Section 5:3 - Notice of Union Representatives

The Union shall provide the Human Resources Director with the names, work locations, and telephone numbers of all Unit stewards, Union officers, and negotiating committee members on an annual basis, during the month of July. Changes in the above officers and stewards will be forwarded to the Human Resources Director in writing should they occur more than once annually, within thirty (30) days of the change. The City shall direct all correspondence, inquiries, and substantive matters concerning the Union to the president, or, in his absence, the vice president of the Union.

Section 5:4 - Union Time Off

Subject to sufficient advance notice and staffing consideration, the City may grant time off with pay to the identified Union officials for the following Union activities:

- A. **Investigating grievances:** In an effort to avoid unnecessary grievances, one union representative shall be provided up to two hours, with pay, to investigate grievances. This time off (including the time of departure and return) shall be arranged in advance with the supervisor and shall be granted as scheduling and job requirements permit. To clarify said understanding, the Union shall submit, in writing to the supervisor(s), 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.
- B. **Grievance meetings:** All members of grievance committee as defined in Section 5:1.
- C. **Contract negotiations:** Negotiating committee - 4 members

ARTICLE 6 - SENIORITY

Section 6:1 - Definition of Seniority

Seniority is preference or priority in length of service, which assigns to permanent employees certain definite rights only as specified in this Agreement.

A regular full-time employee's seniority shall date from his/her most recent starting date of full-time employment within the bargaining unit herein before described in Article 2, Section 1.

Job classification seniority, as used in this Agreement, shall mean the length of continuous time an employee has worked within a job classification. An employee will have seniority in no more than one (1) classification at a time.

All new full and new part-time City employees shall serve a probationary period of six months, uninterrupted by any type of service break, during which time they will be termed "probationary employees". Probationary employees' service with the City may be terminated at any time by the City in its' sole discretion and neither the employee so terminated nor the Union shall have recourse to the grievance procedure over such termination. After an employee has successfully completed his/her probationary period of employment, he/she shall become a regular full-time or regular part-time employee, and his /her seniority shall start as herein before provided.

Section 6:2 - Seniority Lists and Records

The seniority list on the date of this Agreement will show the names and classifications of all employees in the bargaining unit entitled to seniority, which shall be and remain as posted at this signing of the Agreement except as is accumulated.

The City will provide the bargaining unit with a current seniority list biannually by February 1 and August 1. The seniority list shall be established in accordance with the seniority date, which shall be the employee's last date of hire with the City except as provided in Section 6:3.

The City will agree to provide union information (provided by the union) to new union members at the orientation meeting.

Section 6:3 - Loss of Seniority

An employee shall lose seniority for the following reasons:

- A. Resignation, except that upon resigning, a thirty (30) day grace period shall be in effect, during which time, if the employee is rehired, he will not suffer loss of seniority except for that period of time he was separated from the City.
- B. Discharge.
- C. Absence of three (3) consecutive working days without notifying his immediate supervisor or department head. In all such cases, the City shall consider the employee to have resigned. The Human Resources Director will send written notification to the employee at his last known address by certified mail, stating that he is considered to have resigned.
- D. Failure to return to work when recalled from lay off, at the same rate of pay, within five (5) working days after the notification of date to report has been sent by certified mail. In all such cases, the City shall consider the employee to have resigned.
- E. Failure to return to work from a sick leave or other leave of absence within three (3) working days of scheduled return. In all such cases, the City shall consider the employee to have resigned. In cases 4 & 5, the City will notify the employee as in case 3.

- F. Retirement.
- G. Lay off in excess of two (2) years.
- H. Seniority shall be frozen and not accrued during a period of unpaid leave of absence or disciplinary suspension.

Section 6:4 – Layoff and Bumping

Should the City cause a reduction in the workforce, members of Local #541 will be laid off in inverse order of their bargaining unit seniority. Should the City eliminate a position held by the bargaining unit, the City shall notify Local #541 thirty (30) days prior to the planned reduction in the workforce.

Upon final determination by the City that the position occupied by a Local #541 member is to be affected, the employee shall be given five (5) days notice. The employee shall be allowed to bump bargaining unit employees with less seniority if the person bumping meets all qualifications of the position they are bumping into.

Section 6:5 - Shift Preference

In any department where bargaining unit employees of the same classification work different shifts, and when a vacancy occurs, such employee shall have preference in accordance with seniority, provided they have the ability to perform.

Section 6:6 - Seniority of Officers

Notwithstanding their position on the seniority list, the following five (5) elected officers shall in the event of lay off be continued on the job, providing they can perform the work in the classification available as determined by the City, subject to the grievance procedure:

President Vice President Treasurer Trustee Secretary

Section 6:7 - Transfers

If an employee is transferred out of this bargaining unit and is, thereafter, transferred again back into the bargaining unit, the employee shall have uninterrupted seniority from his last date of hire with the City.

Section 6:8 - Military Service

Matters relating to an employee's military service will be processed in accordance with regulating state and federal statutes.

ARTICLE 7 - CONDITIONS OF WORK

Section 7:1 - Hours

The standard duty day for bargaining unit employees shall consist of eight (8) consecutive hours, excluding lunch periods. Lunch periods shall be scheduled by the City. The standard workweek shall consist of five (5) days, Monday through Friday, except shift operation. Beginning and ending times shall be determined by the City. The Union and affected members will be given 2 weeks advance notice, unless due to an emergency, changes in starting times.

Section 7:2 – Overtime

A. **Non-Exempt Employees:**

Authorized work performed outside the scheduled working hours shall be considered overtime work. The rate of pay for overtime work during the work week and on an employee's first off-duty day shall be time and one-half. The rate of pay for overtime work on an employee's second off-duty day in the work week shall be double time.

Overtime worked shall be compensated either in wages or accumulated time off; choice of method to be determined by the employee with approval of the department manager/ division director.

If compensatory time is allowed, according to established departmental or City-wide rules or practices, then same shall be accrued at a rate equal to one and one-half (1 ½) times the overtime hours worked. If accrued for overtime hours worked on Sunday, same shall be calculated at two (2) times the hours worked. When compensatory time is to be utilized, it shall be used as scheduling permits and within the current fiscal year. Maximum accruals shall not exceed 40 hours at one time.

B. **Exempt Employees:** FLSA Exempt employees 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 7:3 – Discipline

The City shall not discharge or discipline a bargaining unit employee without just cause. Should it become necessary to discipline an employee, the following procedure will be adhered to:

- A. It shall be the policy to adhere to progressive discipline as stated in the City's rules and regulations.
- B. Nothing in this section shall prevent a department head from appropriately disciplining an employee immediately should circumstances warrant.
- C. An employee being subjected to suspension or discharge shall have the right and the opportunity to have a Union official present during such discipline.
- D. In imposing any discipline for a current charge of misconduct, the City shall not take into account any prior written warnings occurring more than 24 months previously; and all records of written warnings more than 24 months old shall be expunged from the employee's personnel files.
- E. Copies of all disciplinary action shall be forwarded to the Union.

Section 7:4 - General Records

Personnel records of bargaining unit employees shall be maintained consistent with the law and with the provisions of Article 7, Section 3 (D).

Section 7:5 - Working Conditions

The City shall provide reasonable safety equipment to assist the employee in performing his duties.

Section 7:6 - Inclement Weather

- A. The City will not require electric operation supervisors and electric operation meter supervisors to work in inclement weather unless such work is required to protect life or property or to maintain service to the public.

In the event of a disagreement between supervision and union representatives as to whether prevailing conditions constitute a hazard to the safety or health of employees, the union representative may immediately appeal the decision of the supervisor to the department head.

- B. Upon request of the Union President and at the City Manager's discretion, all employees working in inclement weather during regular working hours shall receive a rate of pay of one and one-half (1½) times their regular rate of pay for the time spent working while exposed to inclement weather during regular working hours.

Section 7:7 - Working During Rest Periods

Any employee who works sixteen (16) or more hours within a twenty-four (24) hour period will, whenever possible, be released for an eight (8) hour period before he is required to report to work for his next regular daily work period.

If, however, the City is unable to release such employee, he shall receive two (2) times his straight-time rate of pay for all hours worked in excess of sixteen (16) hours until he is released from work for eight (8) hours. If, however, the employee is called back to work during such rest period, he shall return to the double time rate until he is released for eight (8) consecutive hours.

If the employee is released and such eight (8) hour period extends into his regular daily work period, he shall suffer no loss of his straight-time pay for any portion of his regular daily work period which is within such eight (8) hour period.

If, in the judgment of the City, the employee cannot be gainfully employed during the period of his regular daily work period remaining after the expiration of such eight (8) hour period, such employee may be excused from work for the remainder of his regular daily work period without loss of his straight-time pay.

ARTICLE 8 - PROMOTIONS & RECLASSIFICATIONS

Section 8:1 - Promotions

All position vacancies, as the City determines necessary, among classifications covered by this Agreement shall be posted and bargaining unit members shall be given the opportunity to apply for position vacancies.

- A. If a new job or permanent vacancy occurs in a classification covered by this Agreement and the City determines to fill such opening, the open job will be posted for a period of five (5) working days. If such job is to be filled by a present bargaining unit employee, it will be filled within ninety (90) days of last day of posting. Employees who desire such open job(s) may submit their bids for such job(s) to the Human Resources office via the use of the online Human Resources Information System within the posting period. Any such job opening may be filled temporarily by the City until there has been a permanent award of the job to an employee.
- B. Seniority rights shall prevail where the employee's sufficient ability, experience, and work record are equal. If job interviews are conducted during the candidate search process, the Union President or his/her designee will be invited to observe these interviews for observational purposes only.
- C. When an employee has been awarded a position (promotion, demotion, lateral), he will be given a period up to six (6) months to further qualify for the job. During this period, he will receive the rate of pay for the position being filled or no less than the rate of pay for the job he held permanently immediately prior. In cases of demotion or lateral moves, employee will be paid the rate of pay for the position being awarded. If at any time within this period the employee is unable to perform the job, he shall be returned to the permanent job he held prior to his accepted bid, if open.

Section 8:2 - Temporary Promotions

- A. Temporary Promotions will be utilized when an employee assumes/performs the duties of a higher rated classification above his permanent classification for vacancies lasting 30 days or more but less than one year. These vacancies shall, whenever possible, be filled by a qualified employee within the same department.
- B. An employee temporarily promoted to a higher position that is vacant, shall receive a salary adjustment of fifteen percent (15%) of his existing base rate, but not to exceed the bottom of the rate range of the classification being promoted into.
- C. An employee shall not be required to perform a position above his permanent classification for a period in excess of one (1) year and shall have the opportunity to return to his permanent classification at the expiration of the time limit on the temporary position.

- D. A temporary promotion shall not continue longer than one (1) year unless extended by mutual agreement between the Parties, at which point the position shall be posted if it is determined by the City to be filled.
- E. An employee shall continue to accrue seniority in his permanent classification while working in a temporary promotion capacity. With respect to promotional opportunities; time spent under the temporary promotion provisions of this Section shall be taken into consideration by the City in the event an employee applies for the position that he was previously temporarily promoted to.
- F. The Parties agree to review special and/or extenuating circumstances that may pertain to this section but are not specifically addressed above.

Section 8:3 - Reclassification

- A. An employee may request a review of his job classification if it is felt the duties presently being performed represent an error in classification. The request shall be in writing and describe the new duties that are not contained in the employee's present job description. The audit shall be completed within sixty (60) working days after the request is submitted, unless an extension is otherwise mutually agreed.
- B. If it is determined that the duties of the employee fall within a different classification, the employee shall either be reclassified to the appropriate higher or lower classification or be assigned duties applicable to the position he holds. In cases of reclassification, the position shall not be posted. Any pay adjustment, either higher or lower attributable to a reclassification, shall be effective the pay period nearest the date the audit is completed.
- C. The pay step in the reclassification position, if higher, shall be equivalent to that the employee held in the former classification, or the beginning rate of the new classification, whichever is higher.
- D. The pay step in the reclassification position, if lower, shall be equivalent to that the employee held in the former classification.

Section 8:4 - General Classification Surveys

The bargaining unit shall be given advance notice of any proposed general survey of employee classifications or change in position titles within the classification covered by this Agreement.

ARTICLE 9 - LEAVES OF ABSENCE

Section 9:1 - Requesting Leave of Absence

Upon request, the City Manager or his/her designee may grant leaves of absence, without pay, to an employee for up to two (2) weeks duration. A leave of absence may extend up to six (6) months in duration and may be renewed upon proper application. An employee shall request a leave of absence in writing thirty (30) days in advance of the date desired, except in emergency situations. A leave may be requested for any legitimate purpose.

Where necessary, an employee may be granted up to twelve (12) weeks off for sickness as outlined in the Family Medical Leave Act (FMLA). The City requires that when the FMLA is granted, accumulated sick days, personal days, and vacation days must first be exhausted concurrent with the leave. Once the above days are exhausted, the balance of the twelve (12) weeks shall be unpaid.

No leave may be granted before an employee has completed his probationary period, except for emergencies and with the specific recommendation of the city manager or his/her designee. Seniority shall not accrue during any unpaid leave of absence longer than two (2) weeks.

Section 9:2 - Military Leave

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 approved for up to two (2) weeks military leave for such training and shall be paid the difference between the wages paid by the military and the employee's gross wages for that same period. Employee will also be eligible for fringe benefits for that same period of time.

Section 9:3 - Leave for Jury Duty

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 or some other public interest, in any court, shall receive full pay from the City upon paying any and all juror and/or witness fees to the City Treasurer. It is understood that when an employee is released by the court, he will return to work at that time.

Section 9:4 – Maternity/Parental Leave

Maternity/parental leave will be granted when requested by an employee as follows:

- A. Employees shall be granted up to six (6) months for childbirth, adoption or foster care.

- B. A request for maternity/parental leave shall be submitted in writing to the department head at least thirty (30) days prior to the date the leave is to begin. Recommended notification is as soon as medical confirmation is received and usually no later than the fifth (5th) month of pregnancy.
- C. The employee shall be allowed to remain on the job as long as her physician certifies her ability to perform her regular duties.
- D. 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 for maternity/parental leave shall be six (6).
- E. The City of Bay City requires the use of accrued sick days, vacation days and personal holidays to be used as part of the FMLA maternity/parental leave. After the exhaustion of paid leave days, the remainder of the leave will be without pay. The total Leave shall not exceed six (6) months.
- F. City paid insurance coverage will continue to be paid during the first twelve (12) work weeks of the maternity/parental leave. In the event that an employee's maternity/parental leave continues beyond the initial twelve (12) work weeks, the employee may continue on the City's group hospitalization plan for a period not to exceed an additional twelve (12) work weeks with said employee paying the premiums monthly in advance when the employee opts to leave without pay.
- G. An employee shall return to work from maternity/parental leave upon release from the physician, provided that in any event, the employee shall return no later than six (6) months after the start of leave.
- H. An employee returning from maternity/parental leave will be reinstated to the same classification and with current step held at the time of request for leave. Seniority, vacation days and personal holidays shall not accrue while on unpaid maternity/parental leave.

Provisions of the Family Medical Leave Act (FMLA), City policy and handbook shall apply.

Section 9:5 - Educational Leave of Absence

Employees with seniority who desire to further their education may make application for a leave of absence for that purpose. One continuous leave may be granted to employees for a period not to exceed twelve (12) months, but an employee shall be obligated to show that granting such leave is in the interest of the City. Additional leaves may be granted at the discretion of the City Manager.

Section 9:6 - Payment of Insurance Premium While on Leave

If an employee is laid off, the City will continue to pay health insurance premiums and its' portion of life insurance premiums for a period not to exceed ninety (90) days from the cessation of active employment. The employee may thereafter purchase a conversion policy. An employee on leave for reasons other than mentioned in this section may do the same.

Section 9:7 – Union Meetings

If approved by the supervisor, and request does not interfere with the operation of the division/department, employees may be granted leave without pay, vacation, or accumulated overtime to attend union meetings.

ARTICLE 10 – BENEFITS

Section 10:1 - Vacation

- A. For new hires, vacation 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 hiring to be used during that year.
- B. Employees shall be eligible for vacation leave with pay according to the following schedule:

Completion of Continuous Service	Vacation Eligibility at start of next calendar year
One (1) year	12 days
Three (3) years	15 days
Five (5) years or greater	20 days

- C. Eligibility for vacation days assumes the employee works the entire year. A month of service is completed when an employee has worked at least ten (10) working days in any given month.
- D. The 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 purpose 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.
- E. If an employee has a remaining vacation balance of 10 days or more as of October 1st of each year, he/she shall be required to schedule all but a maximum of forty (40) hours before December 1st of that same year.

- F. On separation from employment, the employee is paid for whatever vacation time he/she has accumulated 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 next of kin 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.
 - 1. For those employees who were hired after January 1, 1980 (required to wait for vacation and worked during one year to be eligible for vacation the following year) the vacation payout is: January 1 beginning balance, plus one day for each month the employee worked in the current year, minus usage.

Section 10:2 - Vacation/Carry Over

Vacations shall be taken in the calendar year in which earned and may not be carried over to the next calendar year, subject to the following exceptions:

- A. In the event of sickness, injury, or disability in excess of that authorized for such purposes, the employee may (within the discretion of the Department Head) charge such additional time off against his vacation allowance.
- B. In the event of unusual circumstances, and where advance request is made, unused vacation time, up to forty (40) hours, may be carried over into the next calendar year upon approval of the Director of Human Resources. Request for carryover shall be received in Human Resources on or before December 1 of each year. Carried over vacation time must be used no later than June 30th of that fiscal year.

Section 10:3 - Sick Leave

- A. Employee's hired, transferred, or promoted into this unit prior to September 1, 2014, shall be entitled to eight (8) hours of paid sick leave for each month of service.

Employees hired, transferred or promoted into this unit after September 1, 2014, shall be entitled to six and two-thirds (6.67) hours of paid sick leave for each month of service. Unless sick leave entitlement that was available to an employee under another City of Bay City collective bargaining agreement was greater than 6.67 hours per month (no gain – no loss).

For the purpose of this section, a month of service is complete when the employee has worked eighty (80) hours in any one month.

- B. While on paid sick leave, an employee shall be entitled to all fringe benefits.
- C. Sick time shall be computed at the rate of time used, in units of not less than one hour.

D. Sick Leave/Retirement Payout

1. Employees hired or transferred into this unit prior to July 1, 2007, and who retire from active employment or die before retirement (he/she or his/her survivor-in-interest) shall receive compensation in a sum equivalent to one-half (1/2) of a maximum of 1280 hours of his/her accumulated sick leave credit at his/her prevailing hourly rate.
2. Employees hired or transferred into this unit on or after July 1, 2007, and who retire from active employment or die before retirement (he/she or his/her survivor-in-interest) shall receive compensation in a sum equivalent to one-half (1/2) of a maximum of 720 hours of his/her accumulated sick leave credit at his/her prevailing hourly rate.
3. Employees hired, transferred, or promoted into this unit on or after September 1, 2014, shall not be entitled to receive compensation for his/her accumulated sick leave credit upon retirement or death before retirement, unless sick leave payout would have been available to him/her under another City of Bay City collective bargaining agreement absent his/her transfer or promotion (no gain – no loss).

E. Sick Leave/Family: Forty (40) hours of accumulated sick time per calendar year may be used by the employee for family sickness.

F. 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, such employee shall furnish a doctor's certificate or statement verifying such illness. The department shall have the discretion to require the furnishing of such doctor's statement in other cases. The false reporting of time off as being required for sickness shall constitute a fourth grade offense.

1. Where an employee chronically abuses his sick leave and thus interferes with the operation of the department, he may be disciplined. Such action shall be for the purpose of promoting efficient and economic operation.
2. In case of illness, an employee shall notify a designated person before the start of his shift.

G. Sick Leave/Return to Work: If an employee returns to work after an illness and the department head does not feel he has 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.

- H. Sick Leave/Workers' 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' Compensation Act, shall nevertheless receive sick leave benefits, if the employee first signs a statement providing that the City will receive full credit for all such payments received by the employee against any benefits for any disability later determined to be covered by the Michigan Workers' Compensation Act.
- I. Sick Leave/Doctor and Dental Visits: An employee may use their accumulated sick leave for doctor and dental visits.

Section 10:4 - Bereavement 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 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, son in-law, daughter in-law, foster child, mother, father, sister, brother, grandmother, grandfather, grandchildren, mother-in-law, father-in-law, step relatives of the same degree as herein.

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

Section 10:5 - Worker Disability Compensation

Effective July 1, 2002, 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 (80) percent of the employee's gross base weekly wage for five (5) years. Thereafter, the workers' disability compensation rate in accordance with the state statute will continue.

Supplemental payments by the City to the employee for purposes of this section will be based on the employee's forty (40) hour straight time base weekly rate. 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 works 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), City policy and handbook.

Section 10:6 – Holidays

All employees shall be given each holiday off with pay. Employees who are required to work on any of the paid holidays shall receive pay for the holiday plus their regular rate of pay for each hour worked. The City agrees to pay the employees who works on Thanksgiving Day, Christmas Day, and New Year's Day straight time (8) hours plus double time for actual hours worked.

The following shall be paid holidays for the bargaining unit members (holidays falling on Saturday shall be observed on Friday or a personal holiday as determined by the City; holidays falling on Sunday shall be observed on Monday).

New Year's Day	Independence Day	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	

It is understood the only shift workers who actually work Easter Sunday shall be paid time and one-half for actual hours worked.

Section 10:7 - Personal Leave Days

The City will provide each employee with four (4) personal leave days per year. It is understood that a leave notification must be given to the supervisor by the requesting employee.

Section 10:8 - Health Insurance

A. Full-Time, Active Employees

The City will provide full-time employees and their eligible dependents with Blue Cross Blue Shield Simply Blue High Deductible healthcare coverage or an equivalent coverage program, with the City of Bay City funding an HSA for the deductible (as identified in 2. below).

Employees may choose from either of the two coverage options as outlined below, with the applicable employee cost-sharing provisions (as identified in 1. below). As soon as the following options can be implemented following the signing of this agreement, the City will hold a special enrollment period for all full-time employees to enroll and select options. Until such time as the terms and conditions of the coverage program detailed herein can be implemented, the City will continue to provide employees and their dependents with the same coverage plan in place at the expiration of the 2010 – 2014 bargaining agreement.

Option 1: Simply Blue High Deductible with an annual deductible of \$1,300 for single and \$2,600 for double/family coverage, 0% coinsurance, and \$5/\$30/\$60 drug coverage (effective after the annual deductible is met).

Option 2: Simply Blue High Deductible with an annual deductible of \$2,000 for single and \$4,000 for double/family coverage, 20% co-insurance, and \$10/\$40/\$80 drug coverage (effective after the annual deductible is met).

BCBS Simply Blue high deductible shall be available to active regular full time employees/spouses and their eligible dependents and retirees/spouses who are pre-65 and not enrolled in Medicare. Once a retiree/spouse reaches the age of 65 and becomes eligible for Medicare, they shall be eligible to enroll in the City's Post-65 health plan (as outlined in the Post-65 Retirees section).

1. Employee Contribution:

Employees shall have automatically deducted, from each bi-weekly payroll check, an amount established, "pre-tax", in accordance with Public Act 152 of 2011 (Public Act 152). This amount will be established based on either the "Hard Cap" option or the 80/20 option.

If an employee selects a plan with costs that exceed the limits of Public Act 152, the employee shall be responsible to pay the excess cost, or twenty percent (20%) of the health care illustrative rate, whichever is greater.

If the employee selects a plan with costs that are under the limits of Public Act 152, the employee shall not be required to pay for such coverage via payroll deduction.

The parties mutually agree that during the term of this Agreement, once per calendar year, either party can request to review health care plans for the following plan year for the purpose of plan coverage and cost savings provisions. The parties also agree to convene these discussions within seven (7) calendar days of receiving written notice from the other party to review health care.

In the event that Public Act 152 of 2011 is repealed or declared unconstitutional or legally not effective by a court or administrative agency of competent jurisdiction, this Agreement shall be immediately re-opened for the sole purpose of negotiating the issue of employee contributions toward the cost of health insurance.

2. Employer Contribution

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

January 1, 2015 and annually	
Coverage	Employer Pays
Single	\$1,300
Double (2-Person)	\$2,600
Family	\$2,600

In the event that the insurance carrier increases the annual deductible amount from January 1, 2015, 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 increase.

An employee married to another City employee who participates 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.

B. Health Insurance Continuation

The City will continue to pay the costs associated with the above-described program coverage for a period of six (6) months from day of layoff or involuntary termination of employment, except where the employee was "fired for cause," in which event the coverage is to be terminated as soon as possible under this policy.

C. Health Insurance for Retirees

Eligibility: To be eligible for the City's health care coverage, employees hired prior to 7/1/2007, must retire from active employment with twenty (20) 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 after July 1, 2007, are not eligible for City-provided healthcare at retirement, unless retiree health care is available to him/her under another City of Bay City collective bargaining agreement. For employees hired after July 1, 2007, the City will establish a Retirement Health Savings (RHS) Plan for those employees not eligible for retiree health care.

Pre-65 Retirees

For the duration of this 2014 – 2017 collective bargaining agreement, the City will provide health care coverage to eligible Pre-65 retirees (who retire from active employment after July 1, 2014), their spouses, and their IRS dependents with Blue Cross/Blue Shield Simply Blue 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 Section 10:8, 2) or any other optional coverage program, including the corresponding premium share. Retirees and their spouses, will pay the same premium share as active employees based on the plan option selected.

If the City should no longer offer a high deductible health plan to active employees, and the retiree/spouse or surviving spouse is enrolled at the time of elimination, the retiree/spouse or surviving spouse shall continue to pay the last premium share that was in effect for active employees under the high deductible health plan.

However, the level of future premium share, medical and prescription drug coverage for Pre-65 retirees, who retire after July 1, 2014, shall be modified to be identical to that provided to employees under subsequent collective bargaining agreements, provided:

1. that if retiree health insurance is eliminated in a subsequent collective bargaining agreement, the Pre-65 retiree and their spouse shall retain the healthcare coverage and premium share formula he/she was enrolled in at the time of elimination and;

2. the City’s share of the premium shall be the dollar amount specified in Public Act 152 of 2011, as amended. In the event Public Act 152 is repealed, the dollar amount shall be adjusted by the rate of inflation according to Section 15.563 of Public Act 152 of 2011, as amended.

In the event healthcare benefits provided to active employees are changes after a retiree retires, a retiree and their spouse shall have the option to keep the healthcare benefit received at their retirement and incur any premium share changes, if applicable, or “buy up” to the healthcare benefit offered to active employees.

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.

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

Post-65 Retirees:

Post-65 Retirees and their spouses are required to participate in the Medicare Programs Part A&B. Thereafter, those retirees and their spouses eligible for the City’s health care shall receive the City’s Post-65 retiree health coverage and pay premium contributions according to the applicable percentage listed below. The City’s Post-65 health plan shall supplement Medicare coverage and the retiree and their spouses shall be responsible to participate in and pay for their Medicare “Part B” premium. Post-65 retirees and their spouses will be automatically enrolled in the City’s Medicare “Part D” plan at no additional charge to either the retiree or their spouses.

The level of future medical and prescription drug coverage for Post-65 retirees and their spouses, who retire after July 1, 2014, shall be modified to be identical to that provided to Post-65 retirees under subsequent collective bargaining agreements. In the event that Post-65 retiree health insurance is eliminated in a subsequent collective bargaining agreement, the Post-65 retiree/spouses shall retain the healthcare coverage they were enrolled in at the time of elimination with the same cost share at the time of elimination.

An employee who receives a duty-disability retirement as the result of an injury or who is killed on-duty while performing of his/her duties shall be considered to have achieved twenty-five (**25**) 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):

Years of City Service	Employer Pays	Retiree Pays
20	80%	20%
25 or more	90%	10%

D. Health Insurance Waiver

Any active employee or future retiree who is eligible for City-provided health care coverage and chooses to not participate and waive such coverage because they are covered by an alternative health insurance plan by an employer other than the City of Bay City, shall receive a payment (in lieu of health care coverage) of \$150 per month, paid monthly, for each and every month such coverage is waived.

An employee who waives health insurance coverage shall have the opportunity to resume coverage during the calendar year if the employee has a qualifying status change event 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 employees desire to re-enroll.

Active employees must sign a waiver and show proof of alternative insurance coverage from an employer other than the City of Bay City. A City employee married to another City employee who participates in City-provided health insurance will not be eligible for the health insurance waiver.

E. Subrogation Clause

If an employee or retiree 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.

F. Retiree Health Savings Plan

Employees hired or transferred after July 1, 2007, who are not eligible for retiree health care, shall be eligible to participate in a Retiree 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 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 dependent 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 10:9 – Wellness Program / YMCA Membership

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 are responsible for costs beyond \$10 per month or \$120 per year.

Section 10:10 - Life and AD&D Insurances

The City shall provide all bargaining unit employees with fully-paid insurance coverage of \$50,000 life and \$50,000 Accidental Death and Disability (AD&D).

Section 10:11 - Dental Insurance

The City will provide a dental plan which covers 100% preventative care, 75% basic care, and 50% major dental care with a one thousand dollar (\$1,000) annual maximum per person per year with a fifty dollar (\$50) deductible per person per year waived for preventative treatments.

Section 10:12 – Short Term Disability Insurance

The City will provide full-time employees hired after September 1, 2014, with short-term disability coverage. The weekly benefit will not exceed 66.7% of the employee's weekly earnings up to a maximum of \$1,200 per week commencing on the first (1st) day for hospitalization, the first (1st) day after a non-work related accident, or eighth (8th) day for sickness. The short-term disability insurance shall continue in effect until the employee is released to return to work by his/her treating physician or twenty-six weeks (26), whichever occurs first. In the case of maternity leave for female employees, short term disability coverage shall continue in effect for six (6) weeks for natural child birth and eight (8) weeks for caesarian section.

The use of Short Term Disability Insurance shall run concurrently while an employee is on approved Family and Medical Leave of Absence (FMLA) in cases where the Family and Medical leave of absence is for the employee's serious health condition. An employee will be required to supplement the balance of their short-term disability benefits through the use of accrued sick time up to a maximum weekly compensation equal to one-hundred percent (100%) of their weekly salary/or base wage.

Health Insurance will continue during the period an employee is covered by the Short Term Disability insurance as long as the employee maintains their bi-weekly premium shares while off work.

Section 10:13 – Retirement Benefits

- A. **DEFINED BENEFIT:** Full-time employees (either represented by or to be represented by the bargaining unit), as of July 1, 1997, shall be eligible for the Municipal Employees' Retirement System (MERS) Benefit Program B-4, FAC-3, V10; F-25 or 60/10.
1. The contribution co-pay of 3% of employees' gross wages shall be effective for all employees.
 2. Employees may retire with 25 years of service regardless of age under the Municipal Employees' Retirement System (MERS) Benefit F-25 Program. For the purposes of obtaining twenty-five (25) years of service an employee may purchase (exclusively at the employees own cost) up to five (5) years of generic time.
- B. **DEFINED CONTRIBUTION:** Employees hired into the bargaining unit on or after July 1, 1997, shall receive pension/retirement benefits equal to a defined contribution program administered by either MERS or ICMA Retirement Corporation, which shall require one of the following pre-tax option pension plans:

Plan A

1. **Effective October 1, 2014**, the City to contribute 4.50% of the employees' gross wages, with the employee contribution of 0.50% transferred and deposited on a bi-weekly basis, into a self-directed, qualified plan, which shall be transportable and provide immediate vesting
2. **Effective July 1, 2016**, the City to contribute 4.00% of the employees' gross wages, with the employee contribution of 1.00% transferred and deposited on a bi-weekly basis, into a self-directed, qualified plan, which shall be transportable and provide immediate vesting
3. **Effective July 1, 2017**, the City to contribute 3.50% of the employees' gross wages, with the employee contribution of 1.50% transferred and deposited on a bi-weekly basis, into a self-directed, qualified plan, which shall be transportable and provide immediate vesting

Plan B

1. **Effective October 1, 2014**, the City to contribute 8.00% of the employees gross wages, with the employee contribution of 3.50% transferred and deposited on a bi-weekly basis, into a self-directed, qualified plan which shall be transportable and provide 50% vesting after the second year of employment; and 100% vesting after the fourth year of City employment. (Maximum aggregate employer and employee contribution could combine to total 11.5% of yearly gross wages).
 2. **Effective July 1, 2016**, the City to contribute 7.50% of the employees gross wages, with the employee contribution of 4.00% transferred and deposited on a bi-weekly basis, into a self-directed, qualified plan which shall be transportable and provide 50% vesting after the second year of employment; and 100% vesting after the fourth year of City employment. (Maximum aggregate employer and employee contribution could combine to total 11.5% of yearly gross wages).
 3. **Effective July 1, 2017**, the City to contribute 7.00% of the employees gross wages, with the employee contribution of 4.50% transferred and deposited on a bi-weekly basis, into a self-directed, qualified plan which shall be transportable and provide 50% vesting after the second year of employment; and 100% vesting after the fourth year of City employment. (Maximum aggregate employer and employee contribution could combine to total 11.5% of yearly gross wages).
- C. In the event the combined City and employee contributions to the MERS System would decrease below 5% of the gross employee's wages, the co-pay will be adjusted to a fifty-fifty split, City and employee.

Section 10:14 - ICMA-RC Deferred Compensation Plan

Upon appropriate written authorization from the employee, the City shall deduct from the salary of the employee and make appropriate remittance to the ICMA Retirement Corporation Deferred Compensation Plan.

Section 10:15 - Physical Examinations

Employees may be required to undergo a physical examination from the City physician, and/or other health care provider at the discretion and expense of the City, and the City shall provide written justification compelling the exam, in such instances as the employee presents outwardly discernible changes to behavior or characteristics which give rise to concern on the part of the employer. The scope of the physical examination shall be determined by the City. If the employee disagrees with the City exam results, the employee has the option to seek a second opinion at his/her own expense. If there is a conflict between the City's physician and the employee's physician, an impartial third opinion may be obtained. The expense of the third opinion will be borne by the City when found to be in agreement with the second opinion, but will be borne by the employee when found to be in agreement with the first opinion.

ARTICLE 11 – WAGES

Section 11:1 - Wages

Wage increases will be granted to current bargaining unit employees as follows:

July 1, 2014 = 1.5%
July 1, 2015 = 0%
July 1, 2016 = 2.0%
July 1, 2017 = 2.0%

Section 11:2 - Shift Differential

All employees will receive a \$0.30 per hour and \$0.45 per hour differential on second and third shift respectively. As further explanation of this section, vacation, sick and holiday leave benefits are to apply on employee's base pay only.

Section 11:3 - Recall Pay

A non-shift employee required to return to work outside his regularly scheduled hours shall receive recall pay of a minimum of two (2) hours at one and one-half time (1½). If the job takes longer than two hours to complete, the employee will be paid recall pay for the hours worked at one and one-half time (1 ½). Regardless, the employee may leave the job site once the job is completed. Triple time will be paid if called out on the following holidays: Thanksgiving Day, Christmas Day, or New Year's Day.

Shift employees shall receive recall pay as described above, except that if the day of recall is that employee's second or fourth day off, such recall pay shall be at double time.

Employees may accept pay for recall situations, or may choose authorized time off in straight time hours with department head approval regardless of the day involved.

Section 11:4 - Exception Pay

Exception pay of up to 10 percent (10%) of the employee's base pay rate shall be paid when all of the following conditions are met:

- A. An employee fulfills, in addition to his regular duties and at the direction of his departmental manager/division director, the duties of the immediate supervisor in the absence of the immediate supervisor.
- B. The employee has written approval by the department manager/division director or designee in their absence.
- C. Those duties are necessary to carry on City business.
- D. After 30 calendar days, Section 8:2 shall apply.

This exception pay provision does not apply to U.W.U.A. Local #541 members who work at Water Treatment and/or Wastewater Treatment Plants.

Section 11:5 – Public Office

If mutually agreed, the City will allow the use of compensatory time, vacation, or personal days if all requests follow normal procedures applicable to the time being requested (i.e., vacation).

Section 11:6 - Pay Stub Information

The City will indicate the employer's contribution, as well as the employee's contribution, separately for each payroll/paycheck stub, at the City's cost, as soon as possible following execution of contract.

ARTICLE 12 – GENERAL PROVISIONS

Section 12:1 - Education

Employees wishing to improve their skills or knowledge for job-related tasks shall meet the following requirements:

- A. Courses of instruction are limited to those taken at an accredited educational institution on the employee's own time; after working hours.
- B. There shall be a direct relationship of the course being taken to the position or function performed by the employee. Graduate level (masters or doctorate) courses may be included with the approval of the City Manager.
- C. The employee must provide advance information on name of course, educational institution, description and content of the course to be taken plus all cost information.

- D. Each course must have prior written approval from the employee's department head and from the Human Resources Director. Differences will be decided by the City Manager. All decisions are final, including availability of funds as determined by the City Manager.
- E. Employee is responsible for providing acceptable verification of course completion with a grade of "C" or better (2.0 on a 4.0 scale) or "pass" on a pass/fail system.
- F. Upon satisfactory completion, the City will reimburse the employee the cost of tuition and 50% for the cost of books. Other costs such as registration, fees, etc., are the responsibility of the employee.
- G. Employees shall reimburse the City for the cost of tuition and books paid by the City if the employee voluntarily resigns employment, retires, or is discharged from employment by the City within two (2) years from the date of this educational reimbursement from the city.

Section 12:2 - Conferences and Workshops

It is the intent of the City to provide employees the opportunity to attend conferences and workshops to enhance their ability to perform their work. The City will pay expenses as provided by the current City travel policy.

Section 12:3 - Certifications and Licenses

Any City-imposed requirements for additional certifications and licenses will be subject to negotiation for additional compensation.

Section 12:4 - Protective Equipment

The City shall furnish at its' expense all protective equipment determined by the City to be necessary to protect the employee while performing the job duties required.

Footwear: Effective July 1, 2014, employees who are required to wear "steel-toe" or other equivalent footwear per MIOSHA regulations shall receive \$150 per year extending through the duration of this contract, (July 1, 2014 through December 31, 2017). Footwear must meet federal ANSI Z41.1 standards. To be paid the first full pay period in November of each year.

The City will identify these classifications which are required to have and wear "steel-toe" or other equivalent protective footwear per MIOSHA regulations.

Section 12:5 - City Vehicles

City-owned vehicles may be taken home by members of the bargaining unit if approved by the City Manager or designee and subject to the city policy.

Section 12:6 - Domicile

The City has no residency requirement for bargaining unit members.

Domicile is defined as the established, fixed, permanent, ordinary dwelling place, and place of residency.

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 12:7 – Wage Scale and Job Description

Upon approval of the collective bargaining agreement, copies of the wage scale shall be given to the Union president.

Upon request, job descriptions for currently filled positions covered by this bargaining unit shall be provided to the Union president.

Job descriptions for all new positions created subsequent to approval of this Agreement shall be furnished upon request to the Union president within five (5) working days of the posting of the position. Any changes in job descriptions by management shall be furnished to the union president prior to implementation for the purpose of negotiating a new wage rate.

Section 12:8 - Working Agreement Distribution

The City will provide four (4) copies of the Agreement to the Union as soon as possible, but no later than 30 days following approval by the City Commission.

Section 12:9 - Meals

The City will provide meal allowance(s) for employees required to work unscheduled overtime on the following terms and conditions:

- A. The City will pay an allowance of \$8 for all meals.
- B. An employee must work five (5) or more hours of unscheduled overtime connected to the employee's workday or more than eight (8) hours on any off day or holiday.
- C. In no circumstances shall employees be entitled to more than two (2) meal allowances within any twenty-four (24) hour period.

Section 12:10 - Separability

This Agreement is subject to the laws of the State of Michigan with respect to powers, rights, duties, and obligations of the City and the employees in the bargaining unit, and in the event that any provision of this Agreement shall at any time be held to be contrary to law by a court of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided therefore, such provisions shall be void and inoperative; however, all other provisions of this Agreement shall, insofar as possible, continue in full force and effect.

Section 12:11 - Mileage Reimbursement

The City will reimburse all members of the bargaining unit the amount of the IRS rate per mile for all mileage incurred on their personal vehicles for City business.

Section 12:12 - Duration and Renewal

This Agreement shall be effective July 1, 2014, except as otherwise provided, and shall continue in full force and effect through December 31, 2017.

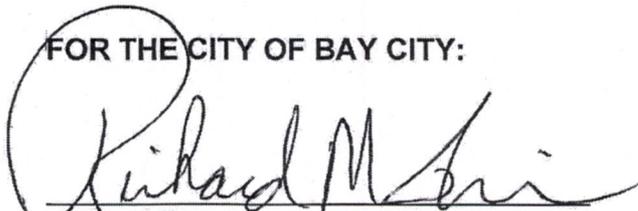
Either party should notify the other in writing of its desire to terminate, change, or amend any of the provisions of this Agreement sixty (60) days prior to the end of the term. In the event any such notice is given later than sixty (60) days prior to the end of the term, the contract will be extended by the number of days that such notice is given.

Section 12:13 – Fiscal Accountability - Public Act 436 of 2012

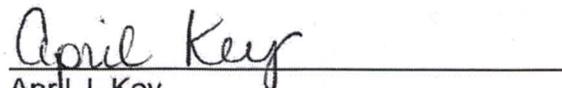
This agreement shall not conflict with any Federal Law or State of Michigan Laws and shall be modified to comply with all requirements of Federal Law or State of Michigan laws or shall be renegotiated for the purpose of adequate conformance. As such, this Agreement is subject to the terms of the Local Government and School District Fiscal Accountability Act, 2012 PA 436, MCL 141.1501 to 141.1531, and as a result if an emergency manager is appointed he/she shall have the right to reject, modify or terminate this collective bargaining agreement as provided in the Local Financial Stability and Choice Act.

The inclusion of this language or any language required under section 15(7) of the Public Employment Relations Act does not constitute an agreement by the Union to the substantive or procedural content of the language, In addition, inclusion of the language does not constitute a waiver of the Union's right to raise Constitutional and/or legal challenge (including contractual or administrative challenges) to the validity of: (1) appointment of an Emergency Manager: (2) PA 436 of 2012, as amended, (Local Financial Stability and Choice Act) ("the Act"); or (3) an action of an Emergency Manager which acts to reject, modify or terminate the collective bargaining agreement. This Section shall immediately become null and void if that Act is stayed, reversed in a referendum, or ruled unconstitutional or reversed in a final decision by the Michigan Supreme Court, the Michigan Court of Appeals or a federal court.

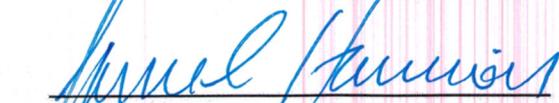
FOR THE CITY OF BAY CITY:

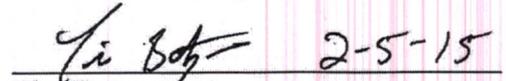

Richard Finn
City Manager


Gregory D. Palicska
Director of Human Resources


April J. Key
Human Resources Generalist

UTILITY WORKERS UNION OF AMERICA AFL-CIO, LOCAL #541:

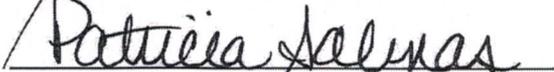

James Harrison
UWUA Representative

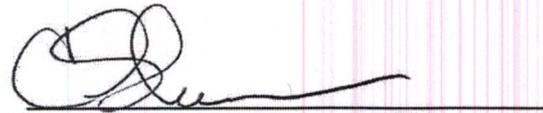
 2-5-15
Tim Botzau
President

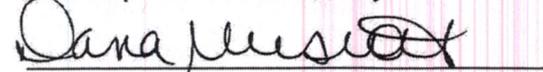
 2-5-15
Kris Edmonds
Vice-President

Approved and adopted by general resolution of the Bay City Commission at a formal meeting held at the City of Bay City, Michigan, on September 8, 2014.


Witness , Jamie McFarland


Witness , Patricia Salinas


Christopher Shannon, Mayor


Dana Muscott, City Clerk