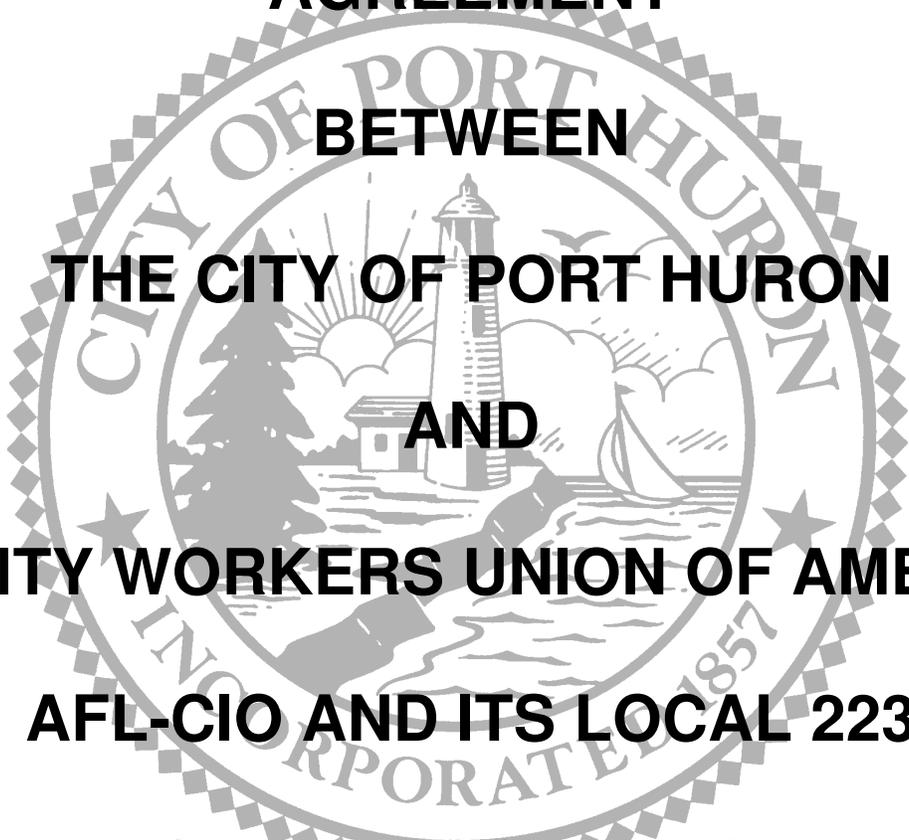


AGREEMENT
BETWEEN
THE CITY OF PORT HURON
AND
UTILITY WORKERS UNION OF AMERICA
AFL-CIO AND ITS LOCAL 223
SUPERVISORY UNIT

The seal of the City of Port Huron is a circular emblem with a checkered border. Inside the circle, there is a lighthouse on a rocky island in the middle of a body of water. To the left of the lighthouse is a large evergreen tree, and to the right is a sailboat. The sun is rising behind the lighthouse, casting rays. The text "CITY OF PORT HURON" is written along the top inner edge of the circle, and "INCORPORATED 1857" is written along the bottom inner edge. Two stars are positioned on the left and right sides of the circle.

EFFECTIVE:	07-01-2014
APPROVED:	05-27-2014
EXPIRES:	06-30-2017

INDEX

ARTICLE	SECTION	SUB-SECTION	DESCRIPTION	PAGE
I			GENERAL CONDITIONS	
	1-1		Scope of Agreement and Operations Covered	1
	1-2		Recognition	1 – 3
		1-2.4	Probationary Employees	2
	1-3		Management Clause	4
	1-4		Officers	4 – 5
	1-5		Other Agreements	5
		1-5.3	Protection of Rights	5
	1-6		Seniority	5 – 6
		1-6.1	Seniority Defined	5
		1-6.2	Reductions and Bumping	6
		1-6.3	Loss of Seniority	6
		1-6.4	Seniority Lists	6
		1-6.5	Transfers	6
		1-6.6	Seniority of Officers	6
	1-7		Maintenance of Standards	7
	1-8		Equipment, Accident and Reports	7
	1-9		Uniforms	8
	1-10		Bonds	8
	1-11		Job Openings	8 – 9
	1-12		Training	9
		1-12.1	Required Training	9
		1-12.2	Voluntary Training	9
	1-13		Commercial Drivers License	9
	1-14		Certifications and Licenses	9
	1-15		Drug Testing Requirements	10
	1-16		Bulletin Boards	10
II			CLASSIFICATION AND COMPENSATION	
	2-1		Classification and Compensation Rates	10
	2-2		Overtime	11
		2-2.1	Time and One-Half	11
		2-2.2	Double Time	11
		2-2.3	Holidays	11
	2-3		Shift Premium	11
	2-4		Longevity Compensation	11 – 12
	2-5		Emergency Call Out	12

INDEX

ARTICLE	SECTION	SUB-SECTION	DESCRIPTION	PAGE
III			IN-SERVICE ACTIVITIES	
	3-1		Physical Examinations	12
	3-2		Request for Leave	12
	3-3		Vacation Leave	12 – 14
		3-3.1	Annual Vacation Leave	12
		3-3.2	Longevity Vacation or Pay	13
		3-3.3	Schedule	13
		3-3.4	Accumulated Vacation Leave	13
		3-3.7	Personal Days	14
	3-4		Sick Leave	14 – 16
		3-4.1	Probationary Period	14
		3-4.2	Reporting for Work	15
		3-4.3	Old Sick Leave Plan	15
		3-4.4	City Disability Income Plan	15 – 16
		3-4.5	Accumulated Sick Leave (Old Sick Leave Plan)	16
		3-4.6	Accumulated Sick Leave (Disability Income Plan)	16
		3-4.7	Physician's Certificate	16
	3-5		Bereavement Leave	17
	3-6		Absence without Approved Leave	17
	3-7		Leave of Absence without Pay	17 – 18
	3-8		Maternity Leave	18
	3-9		Military Service – Veterans	18
	3-10		Legal Holidays	18
	3-11		Hours of Work	18 – 19
		3-11.1	Flexible Work Schedule	19
	3-12		Healthcare Coverage	19 – 22
		3-12.1	Flexible Benefits Plan	21
		3-12.2	Waiver of Healthcare Coverage	21
		3-12.3	Retiree Healthcare Coverage	21
		3-12.4	Health Care Savings Program (HCSP)	21 – 22
		3-12.4(a)	HCSP Participant Eligibility to Purchase Health Care	22
		3-12.5	Dental Coverage	22
		3-12.6	Optical Program	22
	3-13		Life Insurance	23
	3-14		Workers' Compensation	23
	3-15		Safety Shoes	24
IV			DISCHARGE, SUSPENSION OR DEMOTION	
	4-1		General Statement	24 – 25

INDEX

ARTICLE	SECTION	SUB-SECTION	DESCRIPTION	PAGE
V			MEDIATION AND GRIEVANCE PROCEDURES	
	5-1		General Statement	25
	5-2		Procedure	25 – 26
VI			RETIREMENT	
	6-1		Retirement – Municipal Employees’ Retirement System	27
	6-2		Hybrid Plan	28
	6-3		80 Point Plan	28
	6-4		Social Security	28
	6-5		Discrimination Clause	28
	6-6		Personnel Records	28 – 29
VII			SEPARABILITY AND SAVINGS CLAUSE EFFECTIVE DATE AND TERMINATION CLAUSE	
	7-1		Separability and Savings Clause	29
	7-2		Effective Date and Termination Clause	29
	7-3		Local Financial Stability and Choice Act of 2012 – Public Act 436 of 2012	29
			APPENDIX “A” – CLASSIFICATION AND COMPENSATION RATES	

AGREEMENT

THIS AGREEMENT, made and entered into this 27th day of May A.D. 2014, by and between the CITY OF PORT HURON, MICHIGAN, party of the first part, and hereinafter termed the Employer, and UTILITY WORKERS UNION OF AMERICA, AFL-CIO, and its LOCAL 223, parties of the second part, hereinafter called the Union.

PURPOSE AND INTENT: The general purpose of this Agreement is to set forth terms and conditions of employment, and to promote orderly and peaceful labor relations for the mutual interest of the Employer, the Employees, and the Union.

The parties recognize that the interest of the community and the job security of the employees depend upon the Employer's success in establishing a proper service to the Community. To these ends, the Employer and the Union encourage, to the fullest degree, friendly and cooperative relations between the respective representatives at all levels and among all employees.

ARTICLE I - GENERAL CONDITIONS

SECTION 1-1 – Scope of Agreement and Operations Covered

It is understood and agreed that this Agreement shall cover all hourly rated and salary regular full-time employees engaged in the supervision of physical and clerical workers including Communications Coordinator, Supervisors, Foremen, Assistant Data Processing Manager, Assistant City Assessor, WRF Superintendent, WFP Superintendent, Residuals Specialist and Permit Agent as defined in the State of Michigan Labor Mediation Board Certified Case No. R08 E-085, dated July 28, 2008, who perform work for the City of Port Huron, County of St. Clair, in the State of Michigan, excluding Directors, Managers, Department Heads, Division Heads, City Manager, Confidential Employees, Clerical Employees, Secretaries, Clerks, Equipment Operators, Maintenance Workers, Operators and other Physical Laborers, Part-time, Seasonal and Temporary Workers.

SECTION 1-2 – Recognition

Section 1-2.1

The Employer 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 for the City of Port Huron, County of St. Clair, in the State of Michigan.

Section 1-2.2

Membership in the Union is not compulsory. Regular employees have the right to join, not join, maintain, or drop their membership in the Union. Neither party shall exert any pressure on or discriminate against any employee as regards such matters.

Section 1-2.3

Membership in the Union is separate, apart and distinct from the assumption by one, of his or her equal obligation to the extent that he or she received equal benefits. The Union is required under this Agreement to represent all of the employees in the bargaining unit fairly and equally without regard to whether or not an employee is a member of the Union. The terms of this Agreement have been made for all employees in the bargaining unit and not only for members in the Union, and this Agreement has been executed by the Employer after it has satisfied itself that the Union is the choice of a majority of employees in the bargaining unit.

Section 1-2.4 – Probationary Employees

Each newly hired employee shall be a probationary employee for the first six (6) months of employment. The employer shall have the exclusive right to discharge probationary employees at any time with or without cause. The employer shall have the right, at its option, to extend any such probationary period an additional thirty (30) calendar days in those cases where the probationary employee's qualifications and/or ability to perform the work for which he or she was hired are in doubt, in the opinion of the Employer. If probation is extended for any reason, a meeting will be held with the employee and the Union prior to the implementation of the extension.

When an employee completes his or her thirty-first (31st) day, he or she shall qualify for Union membership and will be represented by the Union with the understanding that such probationary employees will be subject to discharge with or without cause until their probationary period is finished. The union and employees understand and agree that the release from employment during this probationary period is not subject to challenge under this agreement's grievance procedures.

During the first ninety (90) calendar days of employment, the employee shall not receive health, dental, life insurance or optical plan. Upon successful completion of ninety (90) calendar days, the employee shall commence to receive all fringe benefits to which regular permanent employees are entitled.

Section 1-2.5

In accordance with the policy set forth under Paragraph (1) and (2) of this Section, present employees and employees hired, rehired, reinstated, or transferred into the bargaining unit after the effective date of this Agreement shall, as a condition of employment, either become members of Local #223, Utility Workers Union of America, AFL-CIO, or pay monthly to the Union service fees equivalent to any dues uniformly required of the members of the Union throughout the life of this contract. For permanent regular employees, such payments shall commence on the first day following the thirty-first (31st) day of such employment.

Section 1-2.6

During the period of time covered by this Agreement, as to any employee who has signed a dues authorization form, the Employer agrees to deduct monthly from the pay of any employee all dues and/or initiation fees of the Union levied in accordance with its Constitution and by-Laws; provided, however, that the Union presents to the Employer authorizations, signed by such employee, allowing such deductions and payments to the Union. Any employee may withdraw their dues authorization at any time and upon receipt of a notice of withdrawal from an employee, the Employer shall cease dues withholding. The union will be notified when an employee withdraws their dues authorization. Each employee who desires to have such dues, assessments, and/or initiation fees deducted from his/her earnings shall execute the "AUTHORIZATION FOR PAYROLL DEDUCTION" form.

The Employer shall place such deduction or deductions in effect on the first pay period of the month following receipt of same and continue in accordance with the terms and conditions set forth in the authorization.

The Employer 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.

Changes either as to additions or deletions in Union membership or changes in dues rates will be certified to the Employer by the Union at least one (1) month in advance of the effective date of the change. This may be done through the Treasurer of the Local.

The Union will indemnify, defend and hold the Employer harmless against any claims made and against any suit instituted against the Employer on account of any check-off of Union Dues.

Section 1-2.7

Amount of initiation fee and dues will be certified to the Employer by the Treasurer of the Local.

Section 1-2.8

If any provision of the Chapter is invalid under the Federal Law or the State of Michigan Law, such provision shall be modified to comply with the requirements of Federal or State Law or shall be renegotiated for the purpose of adequate replacement.

SECTION 1-3 – Management Clause

The Employer shall remain vested with all management functions, including but not limited to, the direction of the staff, the full and exclusive right to hire, promote, demote, discharge for cause, discipline employees consistent with a merit system of personnel management; to promulgate rules and regulations governing the conduct of employees and to require their observance; to make temporary job assignments necessary to ensure the efficient performance of work; to control the use of vacations so as not to jeopardize the functions of the Employer; to establish and direct the location and methods of work, job assignments and work schedules; to maintain order and efficiency; to determine the hours of work including starting and quitting time, length of work week; and to accomplish the reduction of the work force for efficiency purposes, to control, direct and supervise all equipment, subject to the terms of this Agreement. The Employer further reserves the exclusive right to subcontract any work or public services and to merge any of said work or public services with other governmental entities, provided that the Union shall be notified thirty (30) days in advance of such subcontracting if it will result in direct layoffs. During such thirty (30) day period the City and the Union will meet to review economic conditions, methods to achieve cost savings, methods to improve efficiencies and other ways to avoid such layoffs. The Employer agrees to exercise all reasonable effort possible to find suitable placement with city employment for any employees affected by subcontracting on the part of the Employer. Further, when it is necessary for the Employer to accomplish the reduction of the workforce for efficiency and economic purposes, the Employer shall do so whenever possible or practicable by means of attrition.

SECTION 1-4 – Officers

The Union shall notify the Director of Human Resources with the names, work locations and telephone number of all officers on an annual basis of its elected Officers. Changes in Officers will be forwarded to the Director of Human Resources within thirty (30) days of the change. The Employer shall direct all correspondence, inquiries and substantive matters concerning the Union to the Chairperson, or in his/her absence, the Vice-Chairperson of the Unit. The Employer and the Union agree that any grievance, dispute or complaints arising out of the interpretation or application of the contents of the Agreement may be handled during the final hour of work shift when practicable. The authority of the Officers shall include but are not limited to the following duties and activities:

- (1) The investigation and presentation of grievances to the Employer in accordance with the provisions of this Agreement.
- (2) Subject to sufficient notice and staffing consideration, the Employer shall grant time off with pay to any one (1) identified Union officials for grievance meetings.
- (3) The collection of dues, when authorized by appropriate Local Union action.
- (4) The transmission of such messages and information which shall originate with, and are authorized by the Local Union, of its officers, provided such messages and information,
 - (a) Have been reduced to writing, or
 - (b) If not reduced to writing, are of a routine nature and do not involve work stoppages, slow-downs, refusal to handle goods, or any other undue interference with the Employer's business.

During contract negotiations up to three (3) elected officers who comprise the Bargaining Committee of the Bargaining Unit listed above, shall be allowed to attend those negotiations with no loss of pay.

The Employer agrees to permit the Officers to post and maintain Union notices on the premises when expressly authorized by an Officer of the Union and approved by the Employer.

The members shall have no authority to take strike action or any other action interrupting the Employer's business. The Employer recognizes these limitations upon the authority of the members, and shall not hold the Union liable for their unauthorized acts. The Employer, in so recognizing such limitation, shall have the authority to render proper discipline, including discharge without recourse, of any member in the event such member has taken such unauthorized strike action, slow-down or other work stoppage in violation of this Agreement and applicable State law. The Officers shall be employees of the Employer, and shall perform the duties of the classification for which they are employed.

SECTION 1-5 – Other Agreements

Section 1-5.1

The Employer agrees not to enter into any Agreement with employees, individually or collectively covered by this Agreement, during the life of this Agreement, which in any way conflicts with the terms or provisions of this agreement. Any such agreement shall be null and void.

Section 1-5.2

This Agreement shall be binding upon the parties hereto, their successors, administrators and executors. Any successor shall be given notice of the existence of this Agreement, and a copy of such notice shall be sent to the Union.

Section 1-5.3 – Protection of Rights

In the event that a supervisor must cross a primary labor dispute picket line, the employer shall provide for safe passage in order to avoid a potential physical incident.

SECTION 1-6 – Seniority

Section 1-6.1 – Seniority Defined

Seniority is preference or priority in length of service within a classification represented by the Bargaining unit, which assigns certain rights only as specified in this Agreement. Seniority shall start from the last date of hire by the Employer, or promotion by the Employer, into a classification represented by the Bargaining unit, and shall be bargaining unit-wide as determined by a seniority list to be prepared by the Employer and submitted to the Union President for confirmation.

Seniority, as used in this Agreement, shall mean the length of continuous time an employee has worked within a classification represented by the Bargaining unit. There shall be no seniority among probationary employees.

Section 1-6.2 – Reductions and Bumping

Should the Employer cause a reduction in the workforce seniority rights for employees shall prevail within the bargaining unit in reducing the working force because of lack of work or other legitimate cause. The last employee hired shall be the first employee laid off and the last employee laid off shall be the first employee rehired. Should the employer eliminate a position held by the bargaining unit, the Employer shall notify Local 223 thirty (30) days prior to the planned reduction on the workforce.

Upon final determination by the Employer that the position held by a bargaining unit member is to be affected, the employee shall be given five (5) days notice. The employee shall be allowed to bump other bargaining unit employees with less seniority, provided the employee bumping meets all qualifications of the position, as determined by management, the employee is bumping into.

Section 1-6.3 – Loss of Seniority

Seniority shall be broken only by discharge for just cause, resignation or more than a twenty-four (24) month lay-off. In the event of a lay-off of less than twenty-four (24) months, "an employee so laid off shall be given ten (10) calendar days notice of recall mailed to their last known address". In the event the employee fails to make him or herself available for work at the end of said ten (10) calendar days, he or she shall lose all seniority rights under this Agreement.

Section 1-6.4 – Seniority Lists

A list of employees arranged in the order of their seniority and classification shall be posted in a conspicuous place at their place of employment. Any controversy over the seniority standing of any employee on this list shall be referred to the Grievance Procedure for settlement. Such determination shall be made without regard to whether the employees involved are members of the Union. The Employer agrees to provide union information (provided by the union) to new members at orientation meetings.

Section 1-6.5 – Transfers

Any employee employed in a classification covered by this Agreement, who is or has been promoted or transferred to a non-unit position, shall not accumulate bargaining unit seniority while he or she works in the non-unit position. However, if an employee is transferred out of his/her bargaining unit and is, thereafter, transferred again back into the bargaining unit, the employee shall have uninterrupted seniority from his/her last date of hire with the City.

Section 1-6.6 – Seniority of Officers

Notwithstanding their positions on the seniority list, the four (4) elected officers of the bargaining unit (Chairperson, Vice-Chairperson, Chief Steward, Secretary-Treasurer) shall in the event of a layoff be continued on the job, provided they can perform the work in the classification available as determined by the Employer, subject to the grievance procedure.

SECTION 1-7 – Maintenance of Standards

The Employer agrees that all conditions of employment relating to wages, hours of work, overtime differentials and general working conditions shall be maintained during the term of this Agreement at not less than the highest standards established by this Agreement. The conditions of employment shall be improved wherever agreed upon. It is agreed that the provisions of this Section shall not apply to inadvertent or bonafide errors by the Employer or the Union in applying the terms and conditions of this Agreement if such error is corrected within ninety (90) days from the date of error.

SECTION 1-8 – Equipment, Accident and Reports

Section 1-8.1

The Employer shall not require employees to take out on the streets or highways any vehicle that is not in safe operating condition or equipped with the safety appliances prescribed by law. It shall not be a violation of this Agreement where employees refuse, for safety reasons, to operate such equipment unless such refusal is unjustified. The Employer reserves the right to determine the safety condition of this vehicle.

Section 1-8.2

The Employer shall provide reasonable safety equipment to assist the employee in performing his/her duties. Under no circumstances will an employee be required or assigned to engage in any activity involving dangerous conditions of work or danger to person or property or in violation of an applicable statute or court order, or governmental regulation relating to safety of person or equipment.

Section 1-8.3

Any employee involved in any accident shall immediately report said accident and physical injury sustained. When required by the Employer, the employee, before starting his or her next shift shall make out an accident report in writing on forms furnished by the Employer and shall turn in all available names and addresses of witnesses to any accidents. Failure to comply with this provision shall subject such employee to disciplinary action by the Employer.

Section 1-8.4

Employees shall immediately, or at the end of their shifts, report all defects of equipment. Such reports shall be made on a suitable form furnished by the Employer. The Employer shall not ask or require any employee to take out equipment that has been reported by any other employee as being in an unsafe operating condition until same has been approved as being safe by the Divisional Supervisor.

SECTION 1-9 – Uniforms

The Union and the Employer agree, with respect to uniforms, that employees in the following classifications: MOC Maintenance Supervisor, and Foreman III (Water Meter Operations) be furnished a uniform. Employees to whom uniforms are issued shall be required to wear said uniforms during their duty hours. All employees will be furnished five (5) changes per week.

Uniforms shall be provided to each employee once per week. The Employee shall sign a receipt for the uniform and shall be responsible for any loss of uniforms or damage over and above normal wear and tear.

SECTION 1-10 – Bonds

Should the Employer require any employee to give bond, any premium involved shall be paid by the Employer.

SECTION 1-11 – Job Openings

Section 1-11.1

After the Employer determines that a vacancy exists and has determined that the vacancy is to be filled in any classification covered by this Agreement, all such job openings shall be posted for a period of ten (10) working days.

All job openings in any classification covered by this Agreement, to be filled, shall be open to all City employees and external candidates, with consideration given to employees within the bargaining unit on the basis of seniority within the bargaining unit; merit, qualification and ability being equal as determined by management.

Section 1-11.2

An eligible applicant, as ascertained on the foregoing basis, shall serve a six (6) month probationary period in the new job classification to determine his or her ability to perform the job. If the employee is unsatisfactory in the new position, notice and reasons shall be submitted to the Union Chairperson, in writing by the Employer, with a copy to the Employee.

Section 1-11.3

In the event any bargaining unit employee is promoted to a position not covered by this Agreement, his or her probationary period shall be for six (6) months during which time he or she may be returned to the bargaining unit by the employer, or may return voluntarily during the six (6) months following the promotion, shall be permitted to bump or replace another who succeeded to his/her job as a result of the promotion.

Section 1-11.4

The Employer and the Union agree that the following procedure will apply when an employee is working in either a higher classification in the bargaining unit or a position not covered by this agreement.

Employees performing in the above listed scenario for an extended period of time, as discussed by Management and the Union, will receive a higher rate of pay. An employee performing work in a lower classification and/or position will not suffer any reduction in pay.

SECTION 1-12 – Training

Section 1-12.1 – Required Training

The Employer has the sole right to designate required training or educational courses and required testing. Required training or education will be paid at a straight time rate. When training falls within the employee's scheduled work shift, the employee will attend with no loss in pay. When training occurs outside the employee's scheduled work shift, at the City's option, the employee may be paid at straight time rate, or allowed time off scheduled work shifts equivalent to time spent in training. A minimum grade of "C" shall constitute satisfactory completion, or when grades are not given, a certificate of satisfactory completion is required. Provided, when applicable, an average grade of "C" shall constitute satisfactory completion grade for required and voluntary training or education.

Section 1-12.2 – Voluntary Training

The Employer has the sole right to determine courses and training and educational opportunities which may be made available to affected employees. Upon specific approval of the City, employees may be allowed to participate in optional training or educational courses. Time spent on such optional training courses will not be paid for by the City. The City will pay costs of books, tuition and other course fees upon satisfactory completion of the approved course. A minimum grade of "C" shall constitute satisfactory completion, or when grades are not given, a certificate of satisfactory completion is required. Provided, when applicable, an average grade of "C" shall constitute satisfactory completion grade for required and voluntary training or education.

SECTION 1-13 – Commercial Drivers License

The Employer agrees to pay normal and customary costs associated with Federal and State Regulations concerning renewal of CDL Licenses if said license is required by the Employer.

SECTION 1-14 – Certifications and Licenses

The Employer will reimburse employees for required fees to obtain (except a CDL) and renew any required licenses and certifications if said licenses and certifications are a condition of employment by the Employer.

SECTION 1-15 – Drug Testing Requirements

Employees who are not covered by the drug and alcohol testing associated with maintaining a CDL, shall be subject to a drug and alcohol testing program established by the employer. The program established by the employer will be equal to (contain the same protections, cut off levels, privacy provision, etc. as required by law for CDL) the program required for CDL testing. Employees will be placed in the same testing group as other city employees not covered by CDL or similar testing programs as required by State and Federal Law.

SECTION 1-16 – Bulletin Boards

Bulletin Boards will be made available to the Union by the Employer and such bulletin boards will be erected at designated places agreeable to the Union and the Employer for the purpose of posting Union notices relating to meetings, entertainment, health, safety and other non-controversial items of interest to the membership.

ARTICLE II - CLASSIFICATION AND COMPENSATION

SECTION 2-1 – Classification and Compensation Rates

The classification and rates of compensation for employees in this bargaining unit are attached hereto as Appendix "A", and agreed to be part of this Agreement.

The wage rate of new employees shall be determined according to the following pay ranges:

Start:	Step A	90% of top step in classification worked
Upon completion of 1st year	Step B	95% of top step in classification worked
Upon completion of 2nd year	Step C	100% of top step in classification worked

The City of Port Huron shall have the sole discretion to advance the starting rate of a new hire or an employee newly promoted to Step B or Step C, based upon prior experience, education, certification, or license held. Notification in writing will be given to Union for such cases.

Section 2-1.1

When a new job classification is created for which a rate of pay has not been established by this Agreement, the rate applicable to such new classification shall be subject to negotiations, and the rate negotiated shall be effective as of the date the new job classification was created.

Section 2-1.2

The Employer will furnish the President of the Union with copies of job descriptions (including titles and qualifications such as licenses, degree, and course requirements) for all classifications covered by this Agreement.

SECTION 2-2 – Overtime

Employees will be compensated accordingly for working outside of the normally assigned work hours with overtime payment or accumulation of compensatory time at the discretion of the Department. When overtime is paid it shall be paid in the following manner.

Section 2-2.1 – Time and One-Half

All hours worked by employees in excess of eight (8) hours, or seven and one-half (7.5) as applicable in any one work day or forty (40) hours, or thirty-seven and one-half (37.5) as applicable in any one (1) week, shall be paid at the rate of time and one-half the regular hourly rate, but not both. Should a legal holiday or equipment shortage prevent an employee from working forty (40) hours during his or her work week, the forty (40) hour minimum will be reduced accordingly for the purpose of awarding overtime payment.

Section 2-2.2 – Double Time

Employees will be paid double time for work performed on a Sunday, provided the Sunday work does not fall within their regularly assigned work week.

Section 2-2.3 – Holidays

Employees will be paid two and one-half times for work performed on a legal holiday. (Note: (a) Employees will be paid holiday pay computed on the basis of eight (8) hours of straight time rate. (b) Any employee required to work on a holiday shall be paid in addition to the above, time and one-half their regular rate for all hours actually worked on the holiday up to eight (8) hours. (c) Any employee required to work overtime on a holiday, i.e., in excess of eight (8) hours, shall be paid two and one-half (2 1/2) times their regular rate for such overtime actually worked.)

SECTION 2-3 – Shift Premium

A shift premium of 2.0% per hour for clock hours worked on the afternoon shift, and 2.5% per hour for clock hours worked on the midnight shift shall be paid. If the employee is working on overtime and is being paid at the overtime pay rate, shift premium shall not apply.

SECTION 2-4 – Longevity Compensation

Longevity payments will be made to all employees hired prior to January 1, 1999 with continuous full-time service according to the following schedule:

- a) 2 ½% per year applied to annual base pay being received by the employee after five (5) years of continuous full-time service.
- b) 5% per year applied to the annual base pay being received by the employee after ten (10) years of continuous full-time service.
- c) 7 ½% per year applied to annual base pay being received by the employee after fifteen (15) years of continuous full-time service.
- d) 10% per year applied to the annual base rate being received by the employee after twenty (20) years of continuous full-time service.

Longevity compensation is based upon total, continuous length of service with the City, and does not relate to length of service in a particular classification. Longevity date begins with date of hiring as regular probationary employees. Such service must be continuous unless on authorized leave of absence.

Longevity compensation payments will become effective the pay period beginning in which the employee's anniversary date falls within.

Employees hired after January 1, 1999, shall not be eligible for longevity pay.

SECTION 2-5 – Emergency Call Out

In any case when an employee is called out on an emergency, he or she shall receive a minimum of three (3) hours pay at overtime rates for such call out. If such call out emergency work occurs within three (3) hours before starting time of the employee's normal shift, he or she shall be paid one and one-half (1½) times their normal rate for the first three (3) hours actually worked that day, and straight time thereafter until the normal hours of the said shift have been completed.

The Employer and the Union recognize that at times it may be necessary for a telephone call or page to be made to an employee during times that is the employee's non-work time for work related matters. The parties agree that calls of this nature will be kept to a minimum consistent with the needs of the City. If work related phone calls require more than thirty (30) minutes of the employee's time in a twenty-four (24) hour period then compensation will be paid for two (2) hours at one and one-half (1 ½) times their normal rate.

ARTICLE III - IN-SERVICE ACTIVITIES

SECTION 3-1 – Physical Examinations

Every person appointed to a position in the City service as an original appointment will be required to successfully complete a physical examination by the City Physician.

SECTION 3-2 – Request for Leave

Requests for any type of leave, except sick leave, shall be made in writing and shall, whenever possible, be made far enough in advance to permit approval. However, leave with pay may be granted where an employee is unable, by reason of illness or other incapacity, to file application for leave in time for payment for such absence, on the payroll for the period in which the absence occurred.

SECTION 3-3 – Vacation Leave

Section 3-3.1 – Annual Vacation Leave

New employees hired into positions covered by this Collective Bargaining Agreement will receive their vacation as follows:

<u>YEARS OF CONTINUOUS EMPLOYER SERVICE</u>	<u>ANNUAL VACATION LEAVE</u>
AFTER 1 YEAR	5 DAYS OF VACATION
AFTER 3 YEARS	10 DAYS OF VACATION
AFTER 5 YEARS	15 DAYS OF VACATION

Internal employees promoted into a classification covered by the bargaining unit shall be allowed to transfer accumulated vacation days up to a maximum of 30 days. Days not allowed to be transferred shall be paid to the employee at the rate of pay the employee was earning prior to being promoted.

Legal holidays falling within a period of vacation leave are not included as part of such leave.

Section 3-3.2 – Longevity Vacation or Pay

All employees upon completion of ten (10) years of service with the Employer, shall become eligible for a total of five (5) longevity vacation days on their anniversary date. Employees will then be given the option to keep, receive cash payment for or convert the time off to investment in the ICMA Deferred Compensation Program or ICMA Roth IRA or a combination of these choices for these five (5) longevity vacation days. This investment option will be net of any applicable payroll tax (i.e. Medicare). Cash payment shall be at the regular rate of pay.

Furthermore, all employees, upon completion of fifteen (15) years of service with the Employer, shall become eligible for an additional five (5) longevity vacation days for a total of ten (10) longevity vacation days on their anniversary date. Employees will then be given the option to keep, receive cash payment for or convert the time off to investment in the ICMA Deferred Compensation Program or ICMA Roth IRA or a combination of these choices for these ten (10) longevity vacation days. This investment option will be net of any applicable payroll tax (i.e. Medicare). Cash payment shall be at the regular rate of pay.

Longevity vacation shall not be cumulative from year to year. Employees will be provided with a selection form each year in order to advise the Human Resources Director of their option. Cash payment and/or investment will be made on the first pay period beginning after the anniversary date.

Employees will be eligible each year for the above days beginning with their ten (10) year anniversary date and will schedule the additional days as outlined in Section 3-3.3.

Any excess days beyond the thirty (30) days authorized accumulation caused as a result of longevity vacation may only be carried over to the employee's next anniversary date.

Section 3-3.3 – Schedule

Vacation leave for employees shall be scheduled and approved by the employee's supervisor or Department Head.

Section 3-3.4 – Accumulated Vacation Leave

Vacation leave may be accumulated to a maximum of thirty (30) work days without the approval of the Department Head, but under no circumstances may an employee absent him or herself from their position for vacation leave for longer than thirty (30) work days in any one calendar year. The maximum number of days that can be sold at separation from employment are thirty (30) vacation days which includes longevity vacation days.

Section 3-3.5

Time lost by an employee by reason of leave of absence without pay or time otherwise not worked nor paid for, shall not be considered in computing earned allowance on vacation leave. However, the employee will be entitled to remaining vacation on a pro-rated basis.

Section 3-3.6

An employee who has served the Employer at least one (1) year and is separated from the service will be entitled to pay for any unused portion of his or her accumulated vacation leave allowance.

Section 3-3.7 – Personal Days

All employees of the bargaining unit shall be granted up to three (3) personal leave days per calendar year. On each subsequent January 1, employees will be entitled to personal days as described below. These days are to be taken by employees consistent with adequate organizational staffing, supervisory approval, and employee preference; and the hours involved in these three (3) personal days shall be carried as personal holidays for purposes of management control. These days are non-accumulative and therefore must be used by December 31 of each calendar year. Personal Days may be taken in a minimum of four (4) hour increments. To avoid scheduling conflicts and possible denials, requests for Personal Days should be submitted at least 24 hours in advance. New hires will earn a prorated amount of personal days after completing ninety (90) calendar days of service based on the chart below.

Personal Holidays for new hires	
Insurance Benefits Effective Date:	Employee Receives:
January 1	3 days
February 1	3 days
March 1	2.5 days
April 1	2.5 days
May 1	2 days
June 1	2 days
July 1	1.5 days
August 1	1.5 days
September 1	1 day
October 1	1 day
November 1	0.5 day
December 1	0.5 day

SECTION 3-4 – Sick Leave

Section 3-4.1 – Probationary Period

Each permanent full-time employee shall accumulate sick leave in accordance with the following subsections except that no employee will be entitled to sick leave until he or she has completed their probationary period.

Section 3-4.2 – Reporting for Work

When an employee is unable to report for work on account of illness, or for any other reason, it will be the responsibility of the employee or some member of his or her household to notify the supervisor or Department Head, by telephone, at least one hour before the starting time, if possible, and if not, as soon as possible thereafter. If the supervisor or Department Head is not readily available by telephone, then the employee shall notify the employee on duty at his or her normal place of work. Thereafter, the employee on duty shall not leave his or her post until suitable replacement arrangements have been made. Unless the above procedure is complied with, no leave will be approved except upon approval by the Human Resources Director.

Section 3-4.3 – Old Sick Leave Plan

Each employee hired prior to January 1, 1987, who is not covered under the Disability Income Plan will be granted sick leave with full pay for one (1) day for each full calendar month of service. Effective July 1, 2014, sick time will be converted into hours entitling employees to full pay for eight (8) sick hours for each full calendar month of service. The unused balance of sick leave may be carried over and accumulated from one calendar year to the next to a maximum of one hundred and forty (140) days or 1,120 hours at any one time. Any excess over this amount shall be deemed to have expired. No employee will be entitled to sick leave until he or she has completed their probationary period. Sick leave shall be accrued as of the day an employee enters the service of the Employer, and shall be computed and allowed on the calendar year basis.

Employees covered under the Old Sick Leave Plan may use sick time in one (1) hour increments for the employee or for a member of their immediate family. This sick time may also be used to attend to the medical and dental needs of the employee or a member of his or her immediate family only when they cannot be scheduled after work hours. Employees are encouraged to schedule their medical and dental appointments after work hours when possible. Time off for medical and dental appointments must be approved by your immediate supervisor to avoid scheduling conflicts within your department. Immediate family shall be defined as: Wife, husband, unmarried children, parents and grandparents. Effective July 1, 2014, there will no longer be a separate designation for sick medical time.

Section 3-4.4 – City Disability Income Plan

All full-time employees hired on or after January 1, 1989, are covered under the new City of Port Huron Disability Income Plan, which provides for non-work disability after four (4) work days illness in the amount of 67% of an employee's current bi-weekly rate of pay, defined as base salary plus longevity.

Effective January 1, 2012, eligible employees will receive four (4) sick days or 32 hours each January 1st. These days shall "carry over" into the next calendar year; however, at no time will an employee have a sick balance greater than eight (8) days or 64 hours. Effective July 1, 2014, sick time will be converted into hours.

Employees covered under the Disability Income Plan may use sick time in one (1) hour increments for the employee or for a member of their immediate family. This sick time may also be used to attend to the medical and dental needs of the employee or a member of his or her immediate family only when they cannot be scheduled after work hours. Employees are encouraged to schedule their medical and dental appointments after work hours when possible. Time off for medical and dental appointments must be approved by your immediate supervisor to avoid scheduling conflicts within your department. Immediate family shall be defined as: Wife, husband, unmarried children, parents and grandparents. Effective July 1, 2014, there will no longer be a separate designation for sick medical time.

Section 3-4.5– Accumulated Sick Leave (Old Sick Leave Plan)

Sick leave may be accumulated if not used during the year, but the total accumulation shall not exceed one hundred forty (140) days or 1,120 hours. Sick leave will not be allowed for any day on which an employee would not have otherwise worked. Fifty percent (50%) of accumulated sick leave shall be paid an employee terminating employment with the City at his or her then current rate of pay provided he or she has worked a minimum of ten (10) continuous years with the City.

Section 3-4.6– Accumulated Sick Leave (Disability Income Plan)

Sick leave may be accumulated if not used during the year, but the total accumulation shall not exceed eight (8) days or 64 hours. Sick leave will not be allowed for any day on which an employee would not have otherwise worked. Fifty percent (50%) of accumulated sick leave shall be paid an employee terminating employment with the City at his or her then current rate of pay provided he or she has worked a minimum of ten (10) continuous years with the City.

Section 3-4.7 – Physician's Certificate

A certificate of inability to work by reason of illness from a licensed doctor of medicine, examination by the City physician or other physician designated by the Human Resources Director, and such other evidence of illness and inability to work as the Human Resources Director may deem necessary, may be required as evidence of the illness before compensation for the period of illness is allowed.

Employees on authorized absence for a month or longer due to illness or for a period due to injury shall return to duty only after examination and release for work by the City physician, unless otherwise approved by the Human Resources Director.

In cases of extended absence on approved sick leave, the Human Resources Director may require that absence reports be submitted routinely by the Department Head of the department affected.

Any medical fee for examination only by the City physician or medical doctor designated by the Employer incurred as a result of the above requirements shall be paid by the Employer.

The Human Resources Director may require employee to provide a certificate of inability to work by reason of illness from a licensed doctor of medicine. In these cases, the employee will be responsible for any costs incurred in obtaining the certificate.

SECTION 3-5 – Bereavement Leave

In the case of a death in his or her immediate family, a permanent, full-time employee shall be granted bereavement leave with pay following the date of death as follows:

A period of time not to exceed five (5) work days following the date of death for the following members of your immediate family:

Current Spouse	Child
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A period of time not to exceed three (3) work days following the date of death for the following members of your immediate family:

Parent	Parent-in-law
Brother	Sister
Brother-in-law	Sister-in-law
Son-in-law	Daughter-in-law
Grandparent	Grandparent-in-law
Grandchildren	Current step-parent
Current step-sibling	Current step-child
Other relatives living in the same household	

Upon returning to work from Bereavement Leave, the employee shall submit a completed Request for Bereavement Leave form along with a full copy of the obituary.

SECTION 3-6 – Absence without Approved Leave

Any absence of an employee from duty, including any absence for a single day or part of a day, that is not authorized by a specific grant of leave of absence under the provisions of this Agreement, will be deemed to be an absence without approved leave. Any such absence shall be without pay and may be subject to disciplinary action. In the absence of such disciplinary action, any employee who absents him or herself for three (3) consecutive working days without leave shall be deemed to have resigned. Such action may be reconciled by a subsequent grant of leave if the conditions warrant.

SECTION 3-7 – Leave of Absence without Pay

Written leave of absence without pay for an extended period may, at the discretion of the City Manager, be granted for a period not to exceed one (1) year. The Employer will promptly notify the Union upon application by the employee for such extended leave of absence. Upon expiration of the leave, the employee will be reinstated to the position held before the leave was granted. Failure of the employee to report promptly at the expiration of the leave shall be cause for dismissal. Such leave may be granted when it will not result in undue prejudice to the interest of the Employer as an Employer beyond any benefits to be realized and where the employee will not be gainfully employed during such period of leave of absence. Application for leave of absence for travel or study calculated to equip the employee to render more efficient service to the Employer may be deemed justification for granting such leave. No leave shall be granted primarily in the interests of the employee, except in the case of one who has shown by his or her record of service or by other evidence to be more than average value to the Employer and whose service it is desirable to retain even at some sacrifice.

Leave of absence without pay for periods not to exceed three (3) days may be approved by the Department Head. Leaves of absence without pay for more than three (3) days must be approved by the Human Resources Director before it is taken, except in emergency situations where advance notice is impossible. In such cases, retroactive approval may be granted.

SECTION 3-8 – Maternity Leave

The re-employment of employees on maternity leave shall be in accordance with applicable State and/or Federal statutes in effect at the time of the re-employment.

SECTION 3-9 – Military Service-Veterans

The re-employment of military service veterans shall be in accordance with applicable State and Federal statutes in effect at the time of the re-employment.

SECTION 3-10 – Legal Holidays

Legal holidays observed by the Employer shall be as follows: New Year's Day, M.L. King Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve Day, Christmas Day and New Year's Eve Day.

When a holiday falls on Sunday, the following day will be declared a holiday for regular employees. When a holiday falls on Saturday, the previous day or the following Monday will be declared as a holiday for regular employees, by order of the City Manager.

SECTION 3-11 – Hours of Work

The established normal minimum work week for employees in the following positions shall be forty (40) hours.

Communication Coordinator
Utilities Foreman III
Water Filtration Plant Superintendant
Water Filtration Plant Supervisor I
Parks & Forestry Supervisor
Cemetery Supervisor
Utility Service System Supervisor
WWTP Supervisor I
Streets Foreman III
Streets MVP Foreman III
Police Department Records Supervisor
Residuals Specialist
Wastewater Treatment Plant Superintendant
M.O.C. Maintenance Supervisor

The established normal minimum work week for employees in the following positions shall be thirty-seven and one-half (37.5) hours.

Recreation Supervisor
Permit Agent
Assistant Data Processing Manager
Assistant City Assessor

Section 3-11.1 – Flexible Work Schedules

The historical practices in regard to flexible work schedules shall continue to apply.

SECTION 3-12 – Healthcare Coverage

The Employer shall pay the cost of healthcare coverage for the employee, their spouse and their dependent children according to the provisions of the Affordable Care Act.

The Publicly Funded Health Insurance Contribution Act (Public Act 152 of 2011) provides for certain limitations on the amount that public employers may contribute toward the annual cost of medical benefit plans that cover their employees.

City Council has elected to apply the hard cap provision as provided for in Public Act 152 of 2011. The parties acknowledge that as of the effective date of this agreement, July 1, 2014, the City is under the hard cap and therefore, as of such date and for the ensuing year, the bargaining unit members would not be required to pay any portion of their healthcare costs as defined in Public Act 152. In the event that during the term of this contract the City’s healthcare costs as defined in Public Act 152 exceed the hard cap, the City shall provide prompt notice to the Union and the parties shall meet to determine if adjustments can be made in the health insurance plan such that the City’s healthcare costs are reduced to or below the hard cap. If the parties are unable to reach an agreement on such modifications, then the Employer shall follow the procedures as set forth in Public Act 152 regarding amounts which exceed the City’s healthcare costs.

The medical and prescription drug coverage will be Blue Cross Blue Shield or, at the Employer’s option, a plan substantially equivalent or similar to the present plan.

The plan will be defined as the “City of Port Huron Healthcare Program,” with cost sharing in the form of deductibles and co-pays to the employee, as described below:

<u>Yearly Deductible</u>	
In-Network <u>(Member / Family)</u> \$500 / \$1,000	Out-of-Network <u>(Member / Family)</u> \$1,000 / \$2,000
<u>Coinsurance Amounts (percent co-pays)</u>	
Amounts apply once the deductible has been met.	
In-Network <u>(Member / Family)</u> 20%	Out-of-Network <u>(Member / Family)</u> 40%

Coinsurance Maximums (percent co-pays)

Applies to coinsurance amounts for all covered services – including mental health and substance abuse services – but does not apply to deductibles, flat dollar co-pays, private duty nursing care coinsurance amounts and prescription drug cost-sharing amounts.

<u>In-Network</u> (Member / Family)	<u>Out-of-Network</u> (Member / Family)
\$1,500 / \$3,000	\$3,000 / \$6,000

Office Visits Co-Pays

<u>In-Network</u>	<u>Out-of-Network</u>
\$25	60% after deductible

Chiropractic Office Visit Co-Pays

<u>In-Network</u>	<u>Out-of-Network</u>
\$10	60% after deductible

Includes unlimited Preventive Care
Includes \$100.00 Emergency Room

Prescription Drug Co-Pays

\$10 / \$30 / \$45

Includes Contraceptive Drug Rider
Includes 2x's Mail Order Drug Rider and 90-day Retail Rider.
Excludes Life Style Drugs with the exception of
Weight Loss and Smoking Cessation Drugs.

Annual Out-of-Pocket Maximums

Applies to deductibles, co-pays and coinsurance amounts for all covered services – including cost sharing amounts for prescription drugs.

<u>In-Network</u>	<u>Out-of-Network</u>
\$6,350 / \$12,700	\$12,700 / \$25,400

The Employer shall not pay the cost of the hospital and medical plan where, at the effective date of employment, said employee is already covered by a hospital-medical plan that is identical in the coverage offered by the Employer wherein said employee has member coverage and not a subscriber. In the event the subscriber of such a hospital-medical plan ceases to be so covered resulting in an employee losing member coverage, the Employer shall, upon notice, immediately enroll the affected employee under its existing plan with full coverage for him/herself, spouse and dependents, if any, thereby ensuring such an employee of continuous coverage for benefits.

Section 3-12.1 – Flexible Benefits Plan

The Employer agrees to institute flexible spending accounts for interested employees. Sometimes referred to as a cafeteria plan, flex plan, or a Section 125 plan – a Flexible Benefits plan lets the participant set aside a certain amount of their paycheck into an account – before paying taxes. During the year participants have access to this account for reimbursement of expenses they regularly pay for, such as healthcare and dependent daycare.

Reimbursable expenses can include:

- Deductibles, Co-pays, and Prescription Drugs
- Expenses not covered by insurance
- Dental Services and Orthodontics
- Eyeglasses, Contacts, Solutions & Eye Surgery
- Adult & Childcare Services
- Other plan qualified expenses

Section 3-12.2 – Waiver of Healthcare Coverage

Employees electing not to participate in the health insurance program; Section 3-12 Hospital, Medical, Surgical Service, will be eligible to receive a \$200.00 per month credit in lieu of receiving such coverage.

Effective July 1, 2011, the credit in lieu of health insurance will be increased to \$250.00 per month.

Payment will be made annually during the month of December for credit earned that year.

In the event both a husband and wife work for the City, the Employer will automatically waive the lower-seniority employee unless requested differently by the employee. Dual City couples will be eligible to receive \$100.00 per month credit in lieu of receiving such coverage.

Section 3-12.3 – Retiree Healthcare Coverage

Coverage for employees retiring after January 1, 2012, except as otherwise provided for in this contract, shall receive retiree healthcare coverage that is not less in quality than the active employees covered by this agreement and may be better.

Section 3-12.4 – Health Care Savings Program (HCSP)

For those employees hired on or after January 1, 2010, the City will offer to contribute an employer match from a flat amount of \$2.50 up to a 2% match of the employee's base wage per pay into the MERS Health Care Savings Program. The employer's contribution in this program will have a three (3) year vesting requirement.

Employees will contribute \$2.50 per pay up to 100% of their base wage into the MERS Health Care Savings Program. The employee's contributions may be increased, but never decrease. Both the employer and employee contributions will be contributed and invested tax-free.

Effective July 1, 2014, MERS Health Care Savings Program current and future participating employees will no longer have the option to increase their contributions. The mandatory employee contribution will be 2% of the employee's base wage per pay beginning with the first pay date in July, 2014. The City will match 2% of the employee's base wage per pay beginning with the first pay date in July, 2014.

Upon leaving employment, the account is available to the employee, spouse and eligible dependents for tax-free reimbursement of medical expenses.

Section 3-12.4(a) – HCSP Participant Eligibility to Purchase Health Care

Employees hired on or after January 1, 2010, and their spouse of record, will be eligible to be included in the City's group health insurance plan following retirement, at the retiree's expense. The employee must meet the age and years of service requirements (Age 55/25 years of service) or their age plus years of service must equal 80 points to be eligible to purchase the City retirement health care benefit. The employee upon making an application for retirement must choose to purchase or not purchase the City's group health insurance plan. The employee as a retiree may not choose to purchase the City's group health insurance at a later time.

Section 3-12.5– Dental Coverage

The City will provide a suitable dental plan, at the Employer's option, for each permanent full-time employee, spouse and their dependent children as defined by the plan administrator.

Effective September 1, 2014, the 80/20 dental plan with coverage for Class I, II and III benefits will be increased to \$1,300 annually. It will continue to include an optional enhanced PPO that provides better coverage for employees who use a PPO member dentist. The enhanced PPO provides 100% coverage for diagnostic and preventive services, emergency palliative treatment and radiographs. The balance of Class I benefits would be covered at the rate of 85%. Coverage under the present dental plan will not change for those employees who continue to use a non-participating dentist. The dental plan shall include an orthodontic rider of fifty-percent (50%) with a \$2,000 lifetime maximum per eligible person.

Effective September 1, 2014, the 50/50 plan with coverage for Class I, II and III benefits will be increased to \$1,300 annually. The dental plan shall include an orthodontic rider of fifty percent (50%) with a \$2,000 lifetime maximum per eligible person. The 50/50 plan will allow working couples the flexibility in the coordination of dental coverage. The selection of this option will be strictly voluntary except in those cases where the husband and wife work for the city - in this case the employer will automatically place both employees in the 50/50 plan. If a change occurs in marital status the employee can return to the 80/20 plan at his or her option.

Section 3-12.6– Optical Program

Effective January 1, 2003, the City will institute an optical program. Upon presentation of an original receipt, the City will reimburse 50% of the optical costs incurred by the employee for the employee, spouse and dependent children. An annual reimbursement cap of \$150 Single/\$300 Family would apply.

Effective January 1, 2015, the optical reimbursement under this program will be increased to a maximum of \$250.00 per employee with no dependents or \$500.00 per family per year.

SECTION 3-13 – Life Insurance

The Employer will provide a group life insurance plan for the employees, issued by a company of the Employer's sole and unrestricted choice, whereby the life of each employee will be insured in an amount equal to his or her base annual salary to a maximum of \$50,000.

The employees will be allowed to purchase additional life insurance at the employee's expense for themselves as well as their spouses and dependents of record in compliance with the company's standard practice and premium requirements. For this benefit to be instituted, the group of eligible city employees must meet the company's minimum participation standards.

SECTION 3-14 – Workers' Compensation

In the case of an accident / illness to an employee during the performance of their regular duty resulting in temporary disability to the extent that the employee is unable to resume their regular duties, they shall be entitled to the following compensation until sufficiently recovered to perform their regular duties:

Employees covered by the "old" (day earned per month) sick plan:

Will be placed on Injury status for the first seven (7) calendar days following the date of injury and will be placed on Workers' Compensation status beginning with day eight (8).

Employees covered by the Disability Income Plan:

Will be placed on Disability Income status for the first seven (7) calendar days following the date of injury and will be placed on Workers' Compensation status beginning with day eight (8). If an employee in this situation is unable to resume their regular duties for longer than fourteen (14) calendar days, Workers' Compensation will become retro to day one (1) and the Disability Income Plan will not be necessary. The Human Resources Department will work closely with the employee and physician to determine an estimated return-to-work date so that the employee will be compensated correctly.

If any employee receives Workers' Compensation benefits during any absence from work, the compensation payments will be at a reduced rate, according to Workers' Compensation guidelines, and calculated by the Workers' Compensation carrier.

SECTION 3-15 – Safety Shoes

Management is agreeable to continue the employer program to share the cost of safety shoes as follows:

Employer share of safety shoe replacement: \$175.00*

*The employer will reimburse the employee the cost of the safety shoes up to the maximum dollar amount shown.

The following stipulations will apply:

- The supervisor remains responsible to inspect boots to determine if replacement is necessary.
- Boots can only be replaced once every twelve (12) months.
- To be reimbursed, the boots must be ANSI approved as stipulated by the City Health and Safety Committee.

Additionally, given the fact that the Records Supervisor and Assistant Data Processing Manager are not required to wear safety shoes as part of their position, Management agrees to pay those employees an annual lump sum payment of \$175.00 in lieu of safety shoes. This payment will be made in July each year beginning with July 2014.

ARTICLE IV - DISCHARGE, SUSPENSION OR DEMOTION

SECTION 4-1 – General Statement

The following shall apply in all cases where the Employer may discharge, suspend, or demote an employee:

Section 4-1.1

In all cases where the Employer may discharge, suspend, or demote an employee for a just cause that does not fall within those causes enumerated in Section 4-1.2 below, the Employer shall supply the employee and the Union with proper written warning notice or notices and follow the working rules and regulations to be promulgated by the City Manager as a supplementary provision of this section.

Section 4-1.2

The Employer may discharge, suspend or demote an employee without warning notice for the following enumerated just causes:

Section 4-1.2(1)

The Employee has been under the influence of intoxicating liquor or drugs while on duty or the employee has in his or her possession or sold and/or distributed narcotics while on duty.

Section 4-1.2(2)

The Employee has been guilty of conduct characterized by dishonesty.

Section 4-1.2(3)a

The Employee has maliciously used or destroyed City property.

Section 4-1.2(3)b

The Employee has recklessly used or destroyed City property.

Section 4-1.2(4)

The Employee has had possession of live weapons or illegal knives on City property.

Section 4-1.2(5)

The Employee has falsified records or made a misrepresentation about material information.

Section 4-1.2(6)

The Employee was fighting on City property or made threats of physical violence to others.

Section 4-1.2(7)

The employee has been guilty of insubordination while on duty.

ARTICLE V – MEDIATION AND GRIEVANCE PROCEDURES

SECTION 5-1 – General Statement

It is mutually agreed that all grievances, disputes or complaints arising under and during the terms of the Agreement, shall be settled in accordance with the procedure herein provided and that there shall at no time be any strikes, tie-ups of equipment, slow down, walkouts, or any other cessation of work through the use of any method or lockout or legal proceedings, except as specifically agreed to in other superseding sections of this Agreement.

Every effort shall be made to adjust controversies and disagreements in an amicable manner between the Employer and the Union. In the event that any grievance cannot be settled in this manner, the question may be submitted by either party as hereinafter provided.

SECTION 5-2 – Procedure

Section 5-2.1

Should any grievance, disputes or complaints arise over the interpretation or application of the contents of this Agreement, there shall be an earnest effort on the part of the parties to settle such promptly through the following steps:

Step 1: An employee may immediately, informally and briefly discuss his or her problem with the immediate supervisor of the work for the purpose of requesting a formal discussion of the problem during the last hour of the shift. Such employee may be accompanied by a Union Officer.

Step 2: During the last hour of the shift, the employee and the Union Officer may discuss the problem with the immediate supervisor and/or division head.

Step 3: If the matter is not resolved at Step 2, then it shall be the responsibility of the aggrieved party, within five (5) working days of the alleged violation, to reduce the grievance to writing on a form provided by the Union with copies submitted to the Human Resources Director. Following the filings of the grievance, a conference will be held with the Union Officer, the Human Resources Director and/or the Department Head involved, with the intent being to resolve the issue.

Step 4: If the matter is not resolved at Step 3 within five (5) working days, at the request of either party, another meeting will be called to discuss the matter, and either party may bring in outside representatives for this meeting.

Step 5: In the event that the grievance is not satisfactorily settled at Step 4, the Union and the Employer shall appoint an advisory board which shall consist of one delegate designated by each, the Employer and the Union, and a third member, a local citizen resident of the City of Port Huron to be selected by the two delegates. Should the two delegates be unable to agree upon a third member of such Board, the parties will thereafter request the Michigan Employment Relations Commission to submit the names of three fact finders of which one shall be selected by lot to serve as a third party. This panel of three will discuss the grievance and render a majority advisory decision for the adjustment or settlement of the grievance and differences and for the termination or avoidance of any existing or threatening labor dispute. Each grievance shall be decided on its own merits and shall not serve as a precedence with respect to future grievances.

ARBITRATION DISCHARGE In the event the grievance is a discharge, and is not settled satisfactorily at Step 4, either party may in writing request arbitration within five (5) working days of the previous Step. The party requesting arbitration shall promptly thereafter file a demand for arbitration with the American Arbitration Association in accordance with the then applicable rules and regulations of the Association. The expenses of the Arbitrator, excepting the parties' own expenses, shall be borne by the losing party. The Arbitrator shall have the authority and jurisdiction to determine the propriety of the interpretation and/or application of the Collective Bargaining Agreement respecting the grievance in question, but they shall not have the power to alter or modify the terms of this Agreement. With respect to arbitrations involving the discharge of employees, the arbitrator shall determine if the discharge was for just cause; and they may review the penalty imposed and if they shall find it to be inappropriate and/or unduly severe, they may modify it accordingly. They shall have the authority in cases concerning discharge, if they shall so determine, to order the payment of back wages and compensation of an employee, which the employee would otherwise have received, and/or enter such other awards as may be appropriate and just. The award shall be final and binding on the parties and affected employees.

Grievances must be taken up promptly and no grievances will be considered or discussed which are presented after the time limits described in this section. The formation of the Advisory Board shall not be permitted unless the moving party has informed the other of its desire for the formation of such Board within five (5) working days following failure of satisfactory settlement at the level of Step 4. Any grievance not appealed to Step 5 within the prescribed time limits shall be considered as dropped.

ARTICLE VI - RETIREMENT

SECTION 6-1 – Retirement – Municipal Employees' Retirement System

Employees included in this Agreement shall be duly enrolled in the Michigan Municipal Employees' Retirement System, (MERS). The Employer will ensure that all employees will have an updated copy of the most recent MERS booklet.

For employees hired prior to July 1, 2008, the MERS pension benefit program will include:

- A. BENEFIT PROGRAM B-4
2.5% of member's final average compensation multiplied by years and months of credited service. This benefit shall not exceed 80% of member's final average compensation.
- B. FAC-3 FINAL AVERAGE COMPENSATION is computed on the highest 36 consecutive months of earnings, divided by 3.
- C. RS 50 - AUTOMATIC SURVIVOR BENEFIT.
- D. F55-(25 years) Age 55 with 25 or more years of credited service.
- E. Vesting is ten (10) years.
- F. Effective July 1, 2008, the employee pension contribution shall be as follows: 1% total employee contribution.
- G. Effective July 1, 2009, the employee pension contribution shall be as follows: 2% total employee contribution.
- H. Effective July 1, 2010, the employee pension contribution shall be as follows: 3% total employee contribution.
- I. Additional 3% for all wages paid after July 1, 2011 – total 6%.
- J. Additional 1% for all wages paid after July 1, 2012 – total 7%.
- K. Additional 1% for all wages paid after July 1, 2013 – total 8%.

SECTION 6-2 – Hybrid Plan

Employee's hired on or after July 1, 2008 shall be enrolled in the MERS Hybrid Retirement Benefit Plan. The Hybrid Plan will include a Defined Benefit, as well as a Defined Contribution component:

- A. The Defined Benefit Plan will include a 1.25% multiplier.
- B. The Defined Contribution portion will include a 1% employer contribution and a 2.0% employee contribution, with employees being able to contribute after-tax funds up to the IRS limits.
- C. Vesting is six (6) years.
- D. There is a three (3) year F.A.C. (Final Average Compensation).
- E. The normal retirement age is at age 60.

SECTION 6-3 – 80 Point Plan

Employees hired after December 31, 1992 and prior to January 1, 2010, must have a total of 80 points (years of service + age) to receive Retirement Health Care Benefits. Employees hired on or after January 1, 2010, are required to participate in the HCSP (see Section 3-12.4).

SECTION 6-4 – Social Security

Every employee shall be subject to the provision of the Federal Social Security Old-Age and Survivor's Insurance Program, and deduction to cover such payments will be made from each payroll.

SECTION 6-5 – Discrimination Clause

The provisions of this Agreement shall apply to all members covered by this Agreement without discrimination on account of religion, race, color, union activities, national origin, sex, disability, height, weight, arrest record, marital status, creed and genetic information.

SECTION 6-6 – Personnel Records

Section 6-6.1

Personnel records of bargaining unit employees shall be maintained consistent with the Bullard-Plawecki Right to Know Act.

Section 6-6.2

When the Employer makes any written record regarding the quantity or quality of an employee's work or the employee's ability in the performance of his/her work for insertion into the employee's personnel records, a copy of such record shall be given to the employee within ten (10) working days of the date the said written record is made.

Section 6-6.3

The Employer agrees that for the purposes of promotion in matters of discipline, the employees' performance records covering incidents of minor infractions shall not be used beyond the time period of three (3) years. This is in no way to be interpreted that the Employer does not have the right to retain on file the complete personnel records of the employees from the initial date of hire.

ARTICLE VII - SEPARABILITY AND SAVINGS CLAUSE EFFECTIVE DATE AND TERMINATION CLAUSE

SECTION 7-1 – Separability and Savings Clause

If any Chapter or Section of this Agreement or of any Appendices thereto should be held invalid by operation of law or by any tribunal of competent jurisdiction or if compliance with, or enforcement of, any Chapter or Section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement and of any Appendix thereto, or the application of such Chapter or Section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

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

SECTION 7-2 – Effective Date and Termination Clause

THIS AGREEMENT shall be in full force and effect from the day of July 1, 2014, to and including twelve (12) midnight, June 30, 2017, and shall continue in full force and effect from year to year thereafter, unless at least sixty (60) days before any termination date either party notifies the other in writing of its desire to terminate, amend, or supplement the agreement.

SECTION 7-3 – Local Financial Stability and Choice Act of 2012 – 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 Financial Stability and Choice Act of 2012, Public Act 436 of 2012, MCL 141-1541 et. seq., 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 of 2012.

IN WITNESS WHEREOF, the City of Port Huron officials signing below are authorized to sign this agreement as provided for in the 2011 City Charter of the City of Port Huron, Chapter 10, Section 10-1.

BY THE CITY OF PORT HURON

APPROVED AS TO SUBSTANCE:

James R. Freed, City Manager

Pauline M. Repp, Mayor

APPROVED AS TO FORM:

ATTESTED TO:

Gary A. Fletcher, Attorney

Susan M. Child, City Clerk

CERTIFIED AS TO SUFFICIENCY OF FUNDS:

Edward P. Brennan, Director of Finance

Julie A. Davis, Human Resources Director

Utility Workers Union of America, AFL-CIO and Its Local Union 223

Michael P. Smith, Business Agent

Dennis J. Brennan, President

Dated: May 27, 2014

CLASSIFICATION AND COMPENSATION RATES
Period of July 1, 2014 through June 30, 2016
ANNUAL WAGE ADJUSTMENT (0%)

<u>Classification</u>	<u>Hourly Rate of Pay</u>		
	<u>Step A</u> <u>90%</u>	<u>Step B</u> <u>95%</u>	<u>Step C</u> <u>100%</u>
WWTP Superintendent	\$ 27.33	\$ 28.85	\$ 30.37
WFP Superintendent	\$ 24.36	\$ 25.72	\$ 27.07
Utility Service System Supervisor	\$ 23.84	\$ 25.16	\$ 26.49
Foreman III (MVP)	\$ 22.79	\$ 24.06	\$ 25.33
Parks & Forestry Supervisor	\$ 22.32	\$ 23.56	\$ 24.80
WWTP Supervisor I	\$ 22.14	\$ 23.37	\$ 24.60
WFP Supervisor I ^a	\$ 22.14	\$ 23.37	\$ 24.60
Residuals Specialist	\$ 22.14	\$ 23.37	\$ 24.60
Foreman III (Streets, Utilities) ^b	\$ 21.47	\$ 22.66	\$ 23.86
M.O.C. Maintenance Supervisor	\$ 20.92	\$ 22.08	\$ 23.24
Cemetery Supervisor	\$ 20.92	\$ 22.08	\$ 23.24
Permit Agent	\$ 20.22	\$ 21.35	\$ 22.47
Assistant Data Processing Manager	\$ 28.33	\$ 29.90	\$ 31.48
Records Supervisor	\$19.80	\$ 20.90	\$22.00
Recreation Supervisor	-	-	-
Communications Coordinator	-	-	-
Assistant City Assessor	-	-	-

Key:

- a. WFP Supervisor I with "F-1" Certification – additional \$0.50/hour.
- b. Utilities Foreman III with "S-1" Certification – additional \$0.50/hour.

APPENDIX "A"
CLASSIFICATION & COMPENSATION RATES
ONE-TIME OFF SCHEDULE PAYMENT
1% OF BASE WAGE
July 1, 2014

Each member of the bargaining unit who is actively employed on July 3, 2014, shall receive a one-time off schedule payment equal to 1% of their base wage to be paid on July 11, 2014. This off schedule payment will not become part of the salary schedule and will not be counted toward final average compensation for pension purposes. Additionally, this one-time off schedule payment will be charged to the 2014-2015 budget.

APPENDIX "A"
CLASSIFICATION & COMPENSATION RATES
ONE-TIME OFF SCHEDULE PAYMENT
1% OF BASE WAGE
July 1, 2015

Each member of the bargaining unit who is actively employed on July 2, 2015, shall receive a one-time off schedule payment equal to 1% of their base wage to be paid on July 10, 2015. This off schedule payment will not become part of the salary schedule and will not be counted toward final average compensation for pension purposes. Additionally, this one-time off schedule payment will be charged to the 2015-2016 budget.

CLASSIFICATION AND COMPENSATION RATES
Period of July 1, 2016 through June 30, 2017
ANNUAL WAGE ADJUSTMENT (2%)

<u>Classification</u>	<u>Hourly Rate of Pay</u>		
	<u>Step A</u> <u>90%</u>	<u>Step B</u> <u>95%</u>	<u>Step C</u> <u>100%</u>
WWTP Superintendent	\$ 27.88	\$ 29.43	\$ 30.98
WFP Superintendent	\$ 24.85	\$ 26.23	\$ 27.61
Utility Service System Supervisor	\$ 24.32	\$ 25.66	\$ 27.02
Foreman III (MVP)	\$ 23.25	\$ 24.54	\$ 25.84
Parks & Forestry Supervisor	\$ 22.77	\$ 24.03	\$ 25.30
WWTP Supervisor I	\$ 22.58	\$ 23.84	\$ 25.09
WFP Supervisor I ^a	\$ 22.58	\$ 23.84	\$ 25.09
Residuals Specialist	\$ 22.58	\$ 23.84	\$ 25.09
Foreman III (Streets, Utilities) ^b	\$ 21.90	\$ 23.11	\$ 24.34
M.O.C. Maintenance Supervisor	\$ 21.34	\$ 22.52	\$ 23.70
Cemetery Supervisor	\$ 21.34	\$ 22.52	\$ 23.70
Permit Agent	\$ 20.62	\$ 21.78	\$ 22.92
Assistant Data Processing Manager	\$ 28.90	\$ 30.50	\$ 32.11
Records Supervisor	\$ 20.20	\$ 21.32	\$ 22.44
Recreation Supervisor	-	-	-
Communications Coordinator	-	-	-
Assistant City Assessor	-	-	-

Key:

- a. WFP Supervisor I with "F-1" Certification – additional \$0.50/hour.
- b. Utilities Foreman III with "S-1" Certification – additional \$0.50/hour.