14160

STATE OF MICHIGAN

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

EMPLOYMENT RELATIONS COMMISSION

IN THE MATTER OF THE FACT FINDING
BETWEEN:

CITY OF MARSHALL (City) (Employer)

-and-

TEAMSTERS LOCAL 214 (Union)
_____/

MERC Fact Finding Case #L01 D-4014

FINDINGS AND RECOMMENDATIONS

APPEARANCES:

FACT FINDER:	Mario Chiesa
FOR THE UNION:	Rudell & O'Neill, P.C. By: Wayne A. Rudell 22720 Michigan Avenue Suite 300 Dearborn, MI 48124
ALSO PRESENT:	Richard I. Divelbiss, Business Rep. Teamsters Local 214 Gary Saylor Aaron Ambler Kevin Koyl John Galloway Carl J. Miller
FOR THE CITY:	Kreis, Enderle, Callander & Hudgins By: Douglas L. Callander One Moorsbridge P. O. Box 4010 Kalamazoo, MI 49003-4010
ALSO PRESENT:	Ann Adams, Director of Adm. City Services Gail Budrow-Bradstreet, Finance Director/Clerk/Treasurer Tom Tarkiewicz, Director of Infrastructure/Utilities

ALSO PRESENT: Maurice Evans, City Manager

INTRODUCTION

Pursuant to Public Act 176 of 1939, I was appointed Fact Finder in the above-mentioned matter.

On December 19, 2001, a conference call was conducted between the parties. In addition to other understandings, the parties agreed that the fact finding would take place on May 28 and June 12, 2002. Subsequently an additional conference call was conducted between the parties on April 29, 2002.

The hearing commenced and was concluded on May 28, 2002. The parties were given every opportunity to present any evidence they thought was necessary and submitted substantial documentary evidence, as well as testimony. The hearing was concluded without need to utilize June 12, 2002.

The parties submitted extensive post-hearing briefs which were exchanged between them through my office on July 8, 2002.

These recommendations are being issued as soon as practicable consistent with a careful and thorough analysis of the record.

THE PARTIES

The Union, Teamsters Local 214, represents the employees in a bargaining unit comprised of classifications in the general divisions of Wastewater, Water and Electrical. In the general classification of Water there are seven specific classifications with eight employees. In the general classification of Wastewater there are four specific classifications and four employees. Electrical is comprised of powerhouse, meter and distribution.

There are several classifications in those general divisions, with 18 employees working therein. There is a total of approximately 27 employees in the bargaining unit.

The City of Marshall is located in Calhoun County. It has a population of just under 7,000 and employs about 97 employees. Its state equalized valuation is just under $270 million and its size is about 5.64 square miles. As indicated by the classifications listed above, it does maintain a municipal electric service.

COMPARABLE DATA

Data from so-called comparable communities is often submitted by the parties in fact findings just as such information is utilized in binding 312 arbitrations.

In this dispute the parties have agreed that Sturgis, Hillsdale and Coldwater shall be considered comparable. The City has also offered Albion, Charlotte, Dowagiac, and Hastings. The Union has offered Grand Haven, Holland, Niles and Zeeland.

The Union suggests that the stipulated comparables, along with its offering, should be utilized because in one form or another they were used by the parties since 1997 or 1998. It points out that the Employer has entered into wage negotiations for the current contract using the comparables now suggested by the Union and those contained in the stipulated list.

The Employer relies on comparisons of geographical location, population, state equalized value, etc. It maintains that the longest distance from the City of Marshall for the City's

comparables is 48 miles, while the longest distance for the Union's is 119.

The statistical data shows that the stipulated community of Coldwater has a population of 10,700, is located in Branch County, has approximately 69 employees, occupies 6.8 square miles, and has an SEV of about $300 million. It also has a municipal electrical department.

Hillsdale is also a community the parties agreed was comparable to Marshall for the purposes of this fact finding. It has a population of about 8,200, 110 employees, occupies approximately 4.12 square miles, with an SEV of $131 million. It is located in Hillsdale County, and has a municipal electrical facility.

Sturgis is also a stipulated community, is located in St. Joseph County, has a population of just over 11,000, 123 employees, is approximately 5 square miles in size, and has an SEV of $239 million. It also has a municipal electrical facility.

Holland is one of the Union's suggested comparables and is located in Ottawa County. It has a population of about 35,000, has just over 400 employees, and occupies about 14.04 square miles. Its SEV is about $1.2 billion. It has a municipal electrical facility.

Zeeland is also a Union suggested comparable. It is located in Ottawa County, has a population of just under 6,000, employs approximately 64 employees, with an SEV of about $250 million, and

occupies 3 square miles. It does have a municipal electrical facility.

Niles is also offered by the Union, is located in Berrien County, has a population of just over 12,000, employs about 150 employees, with an SEV of about $216 million, and occupies about 5.7 square miles. It does have an electrical facility.

Grand Haven is also a Union suggested comparable. It is located in Ottawa County, has a population of just over 11,000, employs about 170 employees, occupies about 5.8 square miles, and has an SEV of about $470 million. It does have an electrical facility.

The City has offered Hastings which is located in Berrien County, has a population of about 7,000, employs about 53 employees, occupies 5.2 square miles, has an SEV of about $178 million. It does not have a municipal electrical facility.

The City has also suggested that Albion is comparable to Marshall. Albion is located in Calhoun County, has a population of just over 9,000, employs 94 employees, occupies about 4.5 square miles, and has an SEV of about $121 million. It does not have a municipal electrical facility.

Charlotte is a City suggested comparable. It does not have an municipal electrical facility. It is located in Eaton County, has a population of about 8,400, employs approximately 55 employees, occupies 5.75 square miles, and has an SEV of about $194 million.

Dowagiac is also offered by the City as a comparable in this dispute. It is located in Cass County, has a population of about

6,000, employs about 92 employees, and occupies 3.8 square miles. It has an SEV of about $93 million, and does have an municipal electrical facility.

When examining all of the data and keeping in mind the criteria used by the parties, I am persuaded that the comparables which should be most heavily relied upon are those stipulated to by the parties. That means Sturgis, Hillsdale and Coldwater supply the most persuasive data. The next tier of comparables which should be considered are Zeeland, Niles, Grand Haven, and to a lesser degree, Dowagiac. I note that Dowagiac, even though it has a population similar to Marshall and employs about the same number of individuals, has an SEV which is about a third of Marshall's. Nonetheless, it belongs in the middle tier of communities.

Those communities which won't be ignored, but which do not provide as persuasive data as the others are: Albion, Charlotte, Hastings and Holland. I note that Albion, Charlotte and Hastings do not have electrical generation facilities. I also note that Holland has about five times the population of Marshall, employs more than four times the number of employees in Marshall, occupies an area almost two and a half to three times greater than Marshall, and has an SEV which is approximately five times that of Marshall.

Thus, in summary, the comparables to be relied upon to the greatest degree would be Sturgis, Hillsdale and Coldwater. The next level would be Zeeland, Niles, Grand Haven, and Dowagiac. The last group of comparables include Albion, Charlotte, Hastings and Holland.

ABILITY TO PAY

As in binding interest arbitration one of the factors which should be carefully considered before a fact finder makes any recommendations is the ability of the employer to meet the financial demands of the recommendations. This consideration has often been characterized as the ability to pay. It is a factor like any other to be considered and analyzed before recommendations are made.

The data related to the Employer's ability to pay is essentially focused on the electrical department. There is little, if any, other information regarding employees who work in classifications outside of the electrical department. Nonetheless, it is important to understand that a majority of the individuals in the bargaining unit, approximately 18 versus 9, work in the electrical department.

Another aspect of the evidence which must be kept in mind is that admittedly the Employer did not supply the detailed written data during negotiations regarding ability to pay which it supplied at the fact finding. While there was some evidence suggesting that it indicated during bargaining that it had a decreased ability to pay, the documentation and almost all of the supporting evidence was first made available at the fact finding hearing.

The data shows that as of March 31, 2002, the residential cost of 750 KWH in Marshall was $75.55. This was the highest of the group comprised of Marshall, Dowagiac, Coldwater, Hillsdale, Sturgis, Grand Haven, Holland, Niles and Zeeland. It is noted that

the lowest cost for that amount of electrical power was $40.95. That amount was charged by Dowagiac. In dealing with the category of small commercial and industrial and utilizing the amount of 10,500 KWH, Marshall again was the highest at $939.00. Dowagiac was again the lowest at $609.55. In a large industrial commercial setting dealing with 210,000 KWH, Marshall again was the highest at $16,555.50, while the lowest was Niles at $10,835.15. In this regard it is noted that in the City of Marshall there was a 7.5% increase in electrical rates effective January 1, 2002, and another 1% effective July 1, 2002.

The balance sheet as of March 31, 2002, shows total assets at about $9,600,000, with total liabilities and fund equity equalling the same.

As a matter of history, for the year ending June 30, 2001, the electrical fund experienced a total operating and non-operating loss of about $613,749. Of this amount $277,995 was an operating loss. Revenues were down about $62,000 from the prior year, with expenses increasing about $450,000, much of which was attributed to one particular event.

The data shows that while currently the electrical fund is suffering from financial stress, the projections show that it will catch up and stabilize. Furthermore, as previously indicated, the ability to pay data was limited to the electrical fund.

In summary, the data regarding ability to pay was carefully considered and factored in all the recommendations having an economic impact on the Employer.

DURATION AND RETROACTIVITY

The parties have not been able to agree on the duration of the next Collective Bargaining Agreement, nor is there an agreement regarding retroactivity of any economic improvements. The prior Collective Bargaining Agreement had a term beginning July 1, 1998 through June 30, 2001. The Employer proposes a four-year Collective Bargaining Agreement, while the Union proposes a three-year contract.

Regarding the issue of retroactivity, the Union takes the position that wage increases should be retroactive to the expiration of the prior Collective Bargaining Agreement. The Employer's position is that wage increases will not be retroactive unless the health insurance changes requested by the Employer are granted and are retroactive. It indicates that the effective date of any wage increase should be the same date of the commencement date of employee premium sharing and health insurance costs.

An examination of the summaries introduced by the parties and the specific Collective Bargaining Agreements establish that several of the comparable communities have Collective Bargaining Agreements with a duration of three years, while others have a duration of four years. Sturgis has a Collective Bargaining Agreement of four years' duration with an effective date of March 1, 2000 through February 29, 2004. Hillsdale has a four-year contract running from July 1, 2000 to July 30, 2004. Coldwater's Collective Bargaining Agreement is a four-year contract running from July 1, 2001 through June 30, 2005. Grand Haven is a three-

year contract running from July 1, 1999 through June 30, 2002. Holland has a three-year contract running from April 1, 1999 through April 1, 2002. Niles has a Collective Bargaining Agreement spanning four years from October 1, 1998 through September 30, 2002. Zeeland's contract is a three-year agreement running from July 1, 2000 through June 30, 2003. Even though the Albion contract is listed in the summary as being a three-year agreement, the Collective Bargaining Agreement itself contains the effective date of January 1, 2000 to December 31, 2003. I consider this a four-year contract. The Collective Bargaining Agreement in Charlotte is a four-year agreement beginning July 1, 1999 through June 30, 2003. Dowagiac has an agreement effective October 1, 2000 through September 30, 2003. Lastly, Hastings has a three-year agreement which became effective on July 1, 1998 and terminated on June 30, 2001.

A simple analysis of the data in the comparable communities indicates that there is a slight tilt in favor of a four-year agreement.

Generally a Collective Bargaining Agreement which covers a longer span of time increases the amount of labor peace enjoyed by the parties. I recognize that it has often been argued that long-term contracts freeze the parties' positions and makes them unable to deal with changing economic environments. However, the flip side of that coin is that by being aware of the wages, hours and conditions of employment going forward several years, the parties, specifically the Employer, will know its financial responsibilities

for a substantial period of time and will be able to budget and react appropriately.

RECOMMENDATION

I recommend that the parties execute a four-year Collective Bargaining Agreement. Thus, the contract recommended herein will cover the period July 1, 2001 through June 30, 2005.

The other portion of this issue concerns the question of retroactivity. A four-year Collective Bargaining Agreement will bring more peace, but will also extend the period of time that wages, hours and conditions of employment are contractually established and, hence, will not be unilaterally changed. If there is no retroactivity, it also increases the amount of time that members of this bargaining unit have not realized an improvement in wages and other benefits. I certainly recognize the arguments the parties generally make in supporting their position regarding retroactivity. The Union suggests that retroactivity saves the Employer money and is an incentive to prolong bargaining. Employers usually argue that retroactivity means that in essence the Union has nothing to lose and can hold out for greater wage and benefit increases.

In this case there are certain factors which suggest that retroactivity, at least as far as wages are concerned, should be recommended back to the expiration date of the prior contract. First of all, it is clear that the Employer did not make the extent of its ability to pay argument known during negotiations. If this were the case, then perhaps a settlement would have been

forthcoming. I recognize that there are allegations that the Union's wage offer, especially concerning the first year, is totally unrealistic. Perhaps it would have changed it if more had been known about the Employer's financial condition.

RECOMMENDATION

I recommend that the wage improvements recommended in this fact finding be retroactive to the termination of the prior contract and, thus, the first year wage adjustment be effective July 1, 2001.

WAGES

The prior Collective Bargaining Agreement is attached hereto as Exhibit A and contains the wage schedule for all the various classifications for the years beginning July 1, 1998, 1999 and 2000.

The Union's proposal regarding wages is to place each employee at the highest wage currently offered by comparable employers for the first year of the contract and then giving them a 3% across-the-board increase for each of the following two years of a three-year contract with full retroactivity. This of course is altered by the prior recommendation that the Collective Bargaining Agreement have a duration of four years.

The City's position is that for the first year of the contract wages shall be increased 3%, plus 14 cents per hour across-the-board. Retroactivity has already been dealt with. In successive years the City offers a 3% across-the-board increase for each year.

In examining the data from the comparable communities, it becomes apparent that the wage figures vary considerably depending upon the classifications in question. Indeed, some, such as Coldwater, display their wage rates in ranges. Further, while the Collective Bargaining Agreements are in the record and were carefully scrutinized, the specific job responsibilities of each classification are not known, although in general the fashion in which they were compared suggests that the parties have recognized that a level of comparability exists between the classifications in the various communities.

As an example of the various wage rates and keying in on only the stipulated comparables, it is noted that effective July 1, 2000, the highest Utility I wage rate in Marshall is $14.50 per hour. According to the information supplied in the Employer's summary, Coldwater has a wage rate of $10.91, Hillsdale $9.30. Apparently this position in Sturgis is not covered by a Collective Bargaining Agreement. If we move to a powerhouse classification and, specifically Operator II, the wage rate in Marshall as of 7/1/2000 is $16.59 per hour. Sturgis is $19.07 per hour, Coldwater $17.90, and Hillsdale $14.65 per hour. Again, one can see the diversity in the rates. Moving to the distribution classifications, it is noted that a Lead Lineman in Marshall as of 7/1/2000 was receiving $22.68 per hour. In Sturgis an employee in that classification received $21.20, while in Hillsdale the per hour rate was $19.15.

Again, focusing on the stipulated comparables, the record establishes that in Sturgis as of March 1, 2000, employees received a 3.5% increase. On March 1 of the successor years the increases were 3%, 3.5% and, finally, 3%, effective March 1, 2003.

The data in Hillsdale establishes that as of July 1, 2001, there was a 3% across-the-board increase. Another 3% was added on July 1, 2002 and in the fourth year of the contract July 1, 2003, a 50 cent across-the-board increase was instituted. I note that this contract is four years beginning with July 1, 2000, but I am not aware of the wage rates effective July 1, 1999, so it is impossible to determine what the percentage increase was on July 1, 2000. Coldwater employees received a "3.5% minimum increase each year as of the anniversary date of the contract." It must be kept in mind that Coldwater expresses its wage rates by utilizing a range. For instance, a Line Leader as of July 1, 2004 would have a salary from $21.02 per hour to $24.13 per hour.

After carefully examining the record and analyzing the evidence, I have come to several conclusions which lead to the ultimate recommendation.

First of all, the Union's position regarding the first year wage increase has no record support and it is understandable why it would be summarily rejected by the Employer. There is nothing in this record which even remotely suggests that the employees in this bargaining unit should be the highest paid employees of all in the comparable communities. There is nothing of a historical nature; there is nothing establishing that the work responsibilities

warrant such a status; and, frankly, the Union's proposal regarding the first year of the contract is a non-starter and will not be discussed any further.

The Employer's position is much more comparable to what has transpired in the three stipulated comparable communities and in those other communities where the data is available. I do note that Sturgis, Hillsdale and Coldwater arguably provide slightly higher wage increases during the terms of their contracts, at least as a group, but I will address that in the recommendations. Furthermore, it is noted that the Union has also requested several premiums, including a $2.00 per hour increase for Lead Linemen, 75 cents per hour for a Lineman Crew Leader, 15 cents per hour for each progressive license maintained in the water department, and an increase in shift premium from 20 cents to 30 cents per hour for afternoons, nights and swing shifts. It is noted that according to the Union's representations, the Employer agreed to the 15-cent premium per hour for each license held by an employee in the water department if all classifications are rolled into the Utility I classification. Additionally, the Union seeks to revise the Apprentice Lineman progression to start at 60% of the Journeyman Lineman rate and increase 5% for each 1,000 hours worked until 100% is reached.

In dealing with the above specific Union requests, I note that in 2000 a Lead Lineman's rate in Marshall was $22.68 per hour. This exceeded every comparable where data was available, except for Zeeland which was $23.90 per hour. When 2001 wage comparisons were

made with the Marshall 2000 wage rates, plus 3% offered by the Employer, and apparently this doesn't include the 14 cents contained in its latest position, the Lead Lineman would receive $23.36 per hour, which again exceeded every comparable where the data was available, with the exception of Zeeland.

I do note that attached to the Employer's brief are two tentative agreements, one of which deals with the increase in shift premium to 30 cents per hour for the specifics outlined therein, and the 15 cents per hour increase for licenses in the water department. My understanding is that the parties have reached an agreement on these items and, thus, they will not be included in any recommendation. Furthermore, given the record, I will only make a recommendation regarding the general wage issue which hopefully will lead to an agreement, but still allowing the parties to make any specific allocations they wish.

RECOMMENDATION

I recommend that effective 7/1/2001 the 3% across-the-board increase offered by the Employer, including the 14 cents per hour, be implemented. Effective 7/1/2002 a 3% across-the-board increase should be implemented. Effective 7/1/2003 a 3.5% across-the-board increase should be implemented, as well as a 3.5% across-the-board increase effective 7/1/2004. I note that in the last two years of this agreement I have recommended a wage increase of .5% higher than offered by the Employer, but feel this is necessary in order to compensate for the slightly higher wage increases implemented by some of the comparable communities and to recognize the impact of

a four-year Collective Bargaining Agreement even though it will give the parties labor peace until 6/30/2005.

LIFE INSURANCE

Currently the Collective Bargaining Agreement provides for $15,000 with double indemnity. It is noted that in both of their submissions the parties have indicated that this amount should be raised to $25,000 with double indemnity. Thus, I would expect that the parties will execute the Collective Bargaining Agreement carrying this level of benefit.

RECOMMENDATION

I recommend that the parties' position of $25,000 group life insurance with double indemnity be accepted.

OPTICAL INSURANCE

Currently the Collective Bargaining Agreement contains language indicating that the Employer shall reimburse a regular full-time employee for actual expenses incurred by the employee or the employee's dependents for eye examinations and/or corrective lenses up to a total of $250.00 per year. The year is defined as July 1 through June 30.

The Union's position seeks continuation of the status quo. The Employer's position is as follows:

> "Section 5: The City of Marshall currently provides a regular, full-time employee not more than $250.00 reimbursement per fiscal year (July 1-June 30) for actual expenses incurred by the employee or the employee's dependents for eye examinations, frames and/or corrective lenses in

> that fiscal year. For reimbursement of this expense to be considered, the employee must provide proof to the Finance Department that the costs for such covered optical services, frames or corrective lenses were actually incurred. Proof must be received before July 15 for payment of services received and credited to the previous fiscal year."

The Union suggests, and I tend to agree, that the language proposed by the Employer changes a benefit which was clearly a requirement to one which may be "considered" if the criteria were met. Certainly no one would have any objection to the Employer requiring proof to be submitted because the original language seems to suggest that since the Employer will pay for the "actual expenses," it could require proof.

RECOMMENDATION

I recommend that the language in the current Collective Bargaining Agreement continue as written. However, there should be additional language indicating that the Employer may require proof which must be received in a timely fashion in order for payment of services to be received and credited for the previous fiscal year.

LONGEVITY

The current longevity provision utilizes a set percentage payable at the various years of service which is applied to an employee's W-2 earnings; that is, for all employees who are hired before July 1, 1998. Employees hired after that date have longevity payments applied to base wages, i.e., 2,080 hours.

The Employer's position is to continue the current schedule, but rather than pay longevity based on W-2 earnings for employees hired prior to July 1, 1998, all employees would have longevity based on their base wage, i.e., 2,080 hours. The proposal would also eliminate the language regarding employees hired full-time after July 1, 1998.

The Union's position is to maintain the status quo.

The record establishes that the data regarding the comparable communities is all over the board, with some Collective Bargaining Agreements containing no reference to longevity at all, while others provide longevity benefits which are substantially less than what is potentially available to employees in this bargaining unit. Furthermore, the evidence shows that firefighters have negotiated a longevity provision which utilizes exact dollars rather than a percentage of either base or W-2 wages. According to the Employer, only the Teamsters units in Marshall have longevity paid as a percentage of W-2 wage.

Certainly if I were to make my recommendation based only on the comparable communities and the firefighters' agreement, the scale would tip towards the Employer. However, what in essence the Employer is seeking is to reduce a benefit which is already in existence. While certainly this happens everyday, it is usually as a result of extreme economic difficulties or a quid pro quo which makes the reduction acceptable to the bargaining unit. It is unknown what was given up, if anything, when this language was

originally adopted. As a result, one should be very careful before benefits of this nature are reduced.

RECOMMENDATION

After carefully analyzing the entire record, I recommend that the status quo continue.

MUTUAL AID WORK

Language regarding mutual aid work would be an addition to the prior Collective Bargaining Agreement. In other words, it is new language which did not exist in the prior contract.

The Union's proposal is that all employees performing mutual aid work which is funded by another city or another entity be paid at twice the hourly rate.

The Employer's position is that the double time hourly rate will only apply if the mutual aid work is being done for American Electric Power, Detroit Edison, or Consumers Energy Company.

The record establishes that for the most part there is no reference to mutual aid premium payments, with the possible exception of Holland, in the Collective Bargaining Agreements in the comparable communities.

The Union reasons that since the wage costs are not absorbed by the Employer, but by the entities seeking mutual aid, "little reason exists not to provide" that such employees should receive double time. It argues there is no difference between private and public entities.

The Employer's position is that it does not believe it is appropriate to "gouge" other municipalities who may be in need of Marshall's services. The City points out that it would like to be able to call upon its municipal neighbors to provide mutual aid in the event a situation arises in Marshall. Thus, if it had a standing policy that required any city in need to pay double time, then arguably Marshall would be treated similarly.

Frankly, there is little data to support either position, but I am persuaded that, at least initially, the Employer's position should be adopted. It can always be altered by future negotiations.

RECOMMENDATION

I recommend that the Employer's position be adopted with the caveat that the parties should explore language which would treat its employees in the same fashion the other communities' employees must be paid in a mutual aid situation.

ON-CALL PAY

Currently the Collective Bargaining Agreement contains a provision outlining on-call duty and call back. The parties, however, each submitted a proposal which applies to only Linemen. The Union's proposal is that Linemen on call should be compensated at two hours of straight-time pay per day for Monday through Friday, and four hours of straight-time pay per day for Saturday and Sunday. The Employer proposes $15 per day for Monday through

Friday and $30 a day for Saturday and Sunday and all holidays except birthday and anniversary date of hire.

Certainly both agree on-call compensation in principle, but there is a substantial difference between their positions.

The data available from the comparable communities isn't really helpful and doesn't supply much guidance. Given what is available in the record, including the financial information and the prior recommendations, it would not be inappropriate to recommend the Employer's position.

RECOMMENDATION

I recommend that the Employer's position be adopted.

PENSION

Currently the employees in this bargaining unit are covered by a pension plan which provides the B-2, i.e., 2% multiplier. The Union's proposal is to increase the B-2 to B-3 which would be a 2.25% multiplier. The Employer has indicated it is willing to increase the multiplier to the B-3 if the employees pay the entire costs and additional contribution necessary to effectuate and fund the change.

The data regarding the comparable communities shows that the multipliers existing in their relationships vary. When keying in on the stipulated comparables, it is noted that Coldwater provides a B-2 multiplier with the contractual provision that the Employer is to adopt the B-3 "as soon as practicable." It is noted that new hires are included in a defined contribution plan. Hillsdale

provides B-3 and Sturgis has a non-MERS plan with varying provisions regarding benefit groups. The employees in Sturgis also benefit from a 457 plan.

Looking at the internal group data supplied by the Employer, it indicates that currently Dispatch/Meter has a B-3, i.e., 2.25% multiplier, with a B-4, i.e., 2.5% multiplier, becoming effective on 6/1/2002, with the employees picking up any increased costs. Those employees contribute about 7.24%.

The B-2 multiplier, i.e., 2%, exists for the current unit, Teamsters DPW and non-union employees. The contribution rates for the Teamsters units are 5.82% with non-union employees paying 5.93%.

General Teamsters have a B-1, i.e., 1.7% multiplier, and pay a 4% contribution rate.

The Employer has explained that it could combine all the Teamsters union members in the City with the non-union employees into one MERS unit with a B-3 multiplier with an increase to the employees of only .110%.

The evidence establishes that it would be appropriate to increase the multiplier to B-3. This is supported by the data regarding the comparable communities, as well as the evidence regarding the possibility of combining units within the City.

Given the nature of the possible resolutions, it would be appropriate to make a recommendation of a nature which would allow the parties a little more room to negotiate.

RECOMMENDATION

I recommend that beginning in the last year of the contract, i.e., 7/1/2004, the multiplier for this bargaining unit be increased to B-3. The parties will explore and attempt to agree on a merger of the units outlined in the Employer's proposal. Whatever the circumstance, it is recommended that the increase to B-3 be effectuated with a resulting percentage increase of contribution by employees in this unit of .1% to a total of 5.92% of total annual gross compensation.

MEAL TICKET

The language in the current Collective Bargaining Agreement regarding meals is contained in Section 9 of Article 32. The contract is attached, so I am not going to display the language, but it outlines the parties' agreement regarding meals, payment thereof by the Employer, etc.

The Employer's position is to continue the status quo.

The Union's proposal contains several changes to the current language. The first would do away with the requirement that a receipt would be necessary to receive payment and would just state that a meal ticket allowance shall be paid to each employee who meet certain criteria. The language also seeks to define when time going to and from an eating place shall be included as time worked and when it shall not. Further, there is additional language indicating that meals will not interfere with restoration of services during emergencies and that if an employee elects not to

eat the meal, he shall receive pay for one-half hour at the applicable rate.

The data available from the stipulated comparable communities indicates that Coldwater's Collective Bargaining Agreement does not contain any reference to a meal benefit. The Collective Bargaining Agreement in Hillsdale provides a one-half hour paid meal break of 30 minutes at the end of the 12th hour of work. Employees in the Department of Public Service are granted a 20-minute break each morning at the job site after completing two hours of work. Dial-A-Ride employees receive a 15-minute coffee break if required to work more than two hours of overtime and if the overtime is extended past the 12th hour, the employee is granted a paid meal period of 30 minutes at the end of the 12th hour. The Collective Bargaining Agreement in Sturgis provides a multi-aspect benefit for employees in different circumstances. For instance, if an employee works immediately before or after the regularly scheduled hours of work, the employee is entitled to a meal for the first two hours so worked, and an additional meal for each subsequent continuous four hours thereafter. Under certain conditions, the Employer is required to furnish meals. Furthermore, under certain conditions regarding overtime, an employee going to and from an eating place shall have the time included as time worked with a one-hour limit.

As can be seen from above, the data shows that there are varying methods of providing this benefit. It is also noted that several of the other so-called comparable communities do not have any contract language reflecting this benefit.

Given the record, it is impossible to conclude that employees in this bargaining unit are disadvantaged when it comes to the meal ticket or meal benefit. What the Union is seeking to do in one aspect of this proposal is to require the Employer to pay for a meal even if the employee doesn't take the meal. In other words, it is changing the language from reimbursement for an employee who submits a receipt to an allowance that is paid. Of course, there are other changes. However, the evidence in the record does not persuade me that I should recommend the extensive overhaul in the language sought by the Union. Indeed, while the status quo may in certain aspects not be as desirable as what may exist in a few of the comparable communities, the record does not establish that it should be abandoned for the Union's proposal.

RECOMMENDATION

I recommend that the status quo continue.

HEALTH INSURANCE

Under this general topic of health insurance there are issues regarding health insurance itself, dental insurance, group life insurance and optical. Group life insurance and optical have previously been analyzed and recommendations have been made.

The prior Collective Bargaining Agreement is attached hereto and it is noted that the language in Section 1 of Article 24 deals with health insurance. Elements of the language establish that the coverage provided must be substantially equivalent to that provided in the previous agreement. There is a $5.00 Preferred Rx

prescription program, 90/10 copay and $100 single/$200 full family major medical deductible. The language goes on to provide that the employee and Employer shall each contribute 50% of the premium cost of the family continuation rider.

The Union's position is to continue the status quo and thus the language contained in the prior Collective Bargaining Agreement.

The Employer seeks a number of changes. First, the language it proposes eliminates the reference to the coverage being "substantially equivalent" to provided in the previous agreement. Also, the prescription coverage shall include the $10/$20 Preferred Rx prescription program. Another change is that effective July 1, 2000 Blue Care Network HMO plan would no longer be available. Additionally, effective July 1, 2001 each employee shall, by way of payroll deduction, pay 5% of any premium for health insurance. Further, the Employer will establish a premium only cafeteria plan to allow an employee to pay the employee's portion of the health insurance premium with pre-tax dollars by payroll deduction.

In examining the language in the Collective Bargaining Agreement in Coldwater, the plan is defined and can only be changed by a majority vote of the Steelworkers' bargaining unit and the Association unit. Employees in Coldwater pay 15% of the employer's cost through payroll deduction each pay period. There is also a PPO option.

In Sturgis employees are provided the same health insurance and benefits as provided to non-bargaining unit employees. The

"Benefits at a Glance" attachment to the Sturgis Collective Bargaining Agreement outlines several options. There are varying deductibles and varying copays.

The Collective Bargaining Agreement in Hillsdale provides employees with the Blue Shield Blue Choice point of service or comparable plan. The employees are required to pay 10% of the health insurance premium costs. Employees hired subsequent to July 1, 2000 are eligible only for the PSO coverage through Blue Cross Blue Shield or any PSO plan under which bargaining unit members are covered. The drug rider contains many specific provisions, but can generally be characterized as a $10/$20 copay requirement.

It is also important to recognize that bargaining units within the Employer, specifically the Teamsters general City employees and the firefighters, have recently negotiated a premium sharing arrangement. Firefighters pay 5% of the premium, while Teamsters general City employees pay one-third of any increase.

After carefully analyzing the record, I have come to the conclusion that there are a number of recommendations which should be made.

RECOMMENDATION

The current language, or perhaps more precisely, the language in the prior Collective Bargaining Agreement, shall be continued as written, with the exception of the following recommendations:

First, the evidence clearly establishes that the agreements in the stipulated comparable communities, as well as others, provide

for premium sharing. Further, given the evidence regarding the internal units, it is appropriate to recommend that the employees in this unit contribute to the cost of health insurance. Thus, I recommend that immediately after these recommendations are issued, employees, by way of payroll deduction, shall pay one-third (1/3) of any premium increases to the rates existing on the date these recommendations are issued.

Second, it is recommended that the Employer establish a premium only cafeteria plan to allow an employee to pay the employee's portion of the health care insurance premium with pre-tax dollars by payroll deduction.

Third, the coverage shall include the $10/$20 Preferred Rx prescription program.

Fourth, it is impossible to recommend that the HMO plan be eliminated retroactive to July 1, 2000. That's an impossibility. Furthermore, the only recommendation I can make is that the parties negotiate and attempt to remove the HMO plan if it no longer is appropriate to maintain it.

Fifth, while the coverage outlined in Section 1 shall be substantially equivalent to that provided in the previous agreement, it is recommended that the Employer have the ability to change carriers or to become self-insured if it wishes as long as the benefits provided are identical or substantially equivalent to those existing under the prior contract or the parties otherwise agree.

Given the foregoing, it is also recommended that the language in Section 2 - Dental Insurance, should continue as established in the prior contract.

MISCELLANEOUS

It is noted that some of the issues which were identified at the hearing were for various reasons not the subject of post-hearing arguments. For instance, temporary transfer of employees was listed as an issue. However, it appears that the issue was either settled or set aside because it was not the subject of the Employer's discussion post-hearing. As a result, I recommend that the current, or perhaps more accurately, the language in the prior contract, continue. The same recommendation regards leaves of absence. Specifically, there was an issue regarding the Employer paying a supplement to worker's compensation pay. My recommendation is that the language in the prior Collective Bargaining Agreement continue. Storm and emergency work is the subject of a tentative agreement, as is the issue of shift premium.

CLOSING REMARKS

I have spent a substantial amount of time reviewing this record and assure the parties that all submissions have been carefully and painstakingly analyzed. It is hopeful that the recommendations contained herein will provide the basis for the execution of a Collective Bargaining Agreement.

MARIO CHIESA

Dated: December 4, 2002

1461

EXHIBIT A

AGREEMENT

between

City of Marshall

and

Teamsters Local 214

Electric Distribution, Meter, Power House, Waste Water and Water Divisions

Department of Public Services

July 1, 1998 - June 30, 2001

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AGREEMENT

THIS AGREEMENT, made and entered into this 21ST day of SEPTEMBER, 1998 effective by and between the City of Marshall, hereinafter called the "City", and the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, and its Local No. 214, together, hereinafter called the "Union".

ARTICLE 1
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 City, the employees and the Union.

ARTICLE 2
RECOGNITION

Collective Bargaining Unit

Unit Description. Pursuant to and in accordance with the applicable provisions of Act 379 of the Michigan Public Acts of 1965, the City recognizes the Union as the sole and exclusive collective bargaining agency with regard to wages, hours and other terms and conditions of employment for all regular full-time and regular part-time employees employed by the City in the Electric Distribution, Meter, Power House, Waste Water and Water Divisions of the Department of Public Services. EXCLUDING irregular part-time, temporary employees, seasonal employees, clerical employees, supervisory employees, confidential employees and all other employees of the City.

ARTICLE 3
MANAGEMENT RIGHTS

It is understood and agreed that any of the rights, powers or authority the City had prior to the signing of this Agreement are retained by the City except those specifically abridged, granted or modified by this Agreement. Further, all rights which ordinarily vest in and are exercised by employers are reserved to and remain vested in the City, including but not limited to the following:

(a) To manage its affairs efficiently and economically, including the determination of quantity and quality of services to be rendered, the control of materials, tools used, and discontinuance of any services, materials or methods of operations.

(b) To introduce new equipment, methods, machinery or processes; change or eliminate existing equipment, methods, machinery or processes; change or eliminate existing equipment and institute technological changes; decide on materials, supplies, equipment and tools to be purchased.

(c) To determine the number, location and type of facilities and installations.

(d) To determine the size of the work force and increase or decrease its size.

(e) To hire, assign and lay off employees, to reduce the work week or the work day or effect reductions in hours worked by combining layoffs and reductions in work week or work day, unless otherwise limited in this agreement.

(f) To direct the work force, assign work and determine the number of employees assigned to operations.

(g) To establish, change, combine or discontinue job classifications and prescribe and assign job duties, content and classification and to establish wage rates for any new or changed classification, unless otherwise limited in this agreement.

(h) To determine lunch, rest periods and cleanup times, the starting and quitting time and the number of hours to be worked, unless otherwise limited in this agreement.

(i) To establish work schedules, unless otherwise limited in this agreement.

(j) To discipline and discharge employees for just cause,

(k) To carry out cost and general improvement programs.

(l) To transfer, promote and demote employees from one classification, department or shift to another, unless otherwise limited in this agreement.

(m) To select employees for promotion and transfer to supervisory or other positions and to determine the qualifications and competency of employees to perform available work.

ARTICLE 4
AGENCY SHOP - DUES CHECK-OFF

Section 1: Union Security. To the extent that Federal law and the laws of the State of Michigan permit, employees covered by this Agreement at the time it becomes effective and who are members of the Union at that time or who become members during the duration of this Agreement shall be required, as a condition of continued employment, to continue membership in the Union for the purpose of this Agreement.

Section 2: Agency Shop. All employees in the bargaining unit shall, as a condition of continued employment, pay to the Union, the employees' 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. For present regular employees, such payments shall commence thirty-one (31) days following the effective date or on the date of execution of this Agreement, whichever is the later, and for new employees the payment shall start thirty-one (31) days following the date of employment.

Section 3: Check-Off Dues and Initiation Fees. During the period of time covered by this Agreement, the City agrees to deduct from the pay of any employee all annually certified dues and initiation fees of Local 214 and pay such amount deducted to said Local 214; provided, however, that the Union presents to the City legal wage deduction authorizations, signed by such employee, for deductions to the Local Union. They may be done through the steward of the Union.

(a) Amount of initiation fees and dues will be certified to the City annually by the Secretary-Treasurer of the Union. Dues deducted shall commence on the first (1st) pay period of the month and will be deducted monthly thereafter on the first (1st) pay period of the month. Any deduction of initiation fees will be made as certified by the Secretary-Treasurer. Dues deducted for any calendar month by the City will be remitted to the designated finance officer of the Local Union as soon as reasonably possible after the payroll deductions have been made. The City shall furnish the Union finance officer an up-to-date list of those employees who have signed check-off authorizations and whose dues have been deducted from their paychecks. Where an employee who is not on check-off is not on the payroll the week which the deduction is to be made or who has no earnings or insufficient earnings during the week or is on a leave of absence, double deductions will be made the following months.

(b) Monthly agency fees and initial agency fees will be deducted by the City and transmitted to the Union in the same manner as prescribed above for the deduction and transmission of Union dues and initiation fees.

(c) The Union shall indemnify and save the City harmless from any liability, costs and expenses that it incurs arising out of the City's enforcement of the Union security and agency shop provisions of this Agreement and/or its reliance upon any payroll deduction authorization cards presented to the City by a representative of the Union.

(d) Any dispute arising as to an employee's membership in the Union shall be reviewed by the designated representative of the City and a representative of the Union and if not resolved may be decided at the Appeal Step of the Grievance Procedure. However, the Employee shall be retained at work while the dispute is being resolved.

ARTICLE 5
UNION REPRESENTATION/ACTIVITIES

Section 1: Steward Representation/Activities: The City shall recognize one (1) employee representative with seniority who shall act individually as Steward for grievance administration for each of the Electric Distribution, Meter, Power House, Waste Water and Water Divisions of the Department of Public Services. The Union may designate one (1) of the Stewards to act as Chief Steward.

(a) Reporting. When it becomes necessary for a Steward to investigate a grievance, the Steward shall first secure permission from his/her supervisor to leave work and shall report to that supervisor before returning to work. The City agrees to compensate an employee at his/her regular rate for all regular time lost from the regular work schedule while investigating and processing grievances.

The City reserves the right to revoke this benefit if it is being abused, but such revocation shall not occur until the Union has been notified of such abuse and corrective action has not occurred.

Section 2: Union Activity/Rights: The Union agrees that, except as specifically provided for by the terms and provisions of this Agreement, employees shall not be permitted to engage in Union activity during working hours. There shall be no meetings held on City property unless authorized in writing by the City. The City agrees that it will not enter into another agreement with another labor organization, aid, promote or finance any labor group or organization which purports to engage in collective bargaining regarding employees covered by this Agreement.

ARTICLE 6
GRIEVANCE AND ARBITRATION PROCEDURE

Definition of Grievance:

A grievance shall be LIMITED TO a complaint by a non-probationary employee or the Union concerning the application and interpretation of this Agreement.

Section 1. Grievance Procedure. All grievances shall be handled in the following manner:

(a) Step 1. An employee with a complaint shall notify the department head within three (3) working days after the occurrence of the events giving rise to the complaint. The complaint shall be discussed informally by the employee and the department head. At the request of the employee, he/she may have the Steward present in order to participate in this informal discussion. Every effort shall be made to satisfactorily settle the complaint in this manner. The department head shall give his/her disposition, subject to the approval of the City Manager or his/her designated representative, within five (5) working days.

(b) Step 2. If the complaint is not satisfactorily settled by the verbal procedure, the complaint shall be reduced to a written grievance on a form provided by the Union, signed by the employee and the Union, and presented by the Union to the City Manager or his/her designated representative within three (3) working days after receipt of the department head's answer in the verbal procedure. Within five (5) working days after receipt of the employee's written grievance, the Steward and City Manager or his/her designated representative may meet to discuss the grievance. The staff representative of the Union may be present as well as other designated City representatives. The City shall place its disposition on the grievance and return it to the Steward within five (5) working days following said meeting, or within ten (10) working days of receipt of the employee's written grievance if no meeting is held. If the grievance is not satisfactorily resolved, it may be submitted to arbitration in accordance with the procedures established in this agreement.

Section 2. If the grievance has not been satisfactorily resolved, the Union or the City shall have the right to file a request for arbitration with the Federal Mediation and Conciliation Service provided such referral is made within seven (7) calendar days after receipt of the City's answer in Step 2. If the grievance has not been submitted to arbitration within seven (7) days, it shall be considered resolved in accordance with the City's last response. The expenses and fees of the arbitrator and the Federal Mediation and Conciliation Service shall be shared equally by the Union and the City.

Section 3: The arbitrator's jurisdiction shall be limited to the application and interpretation of this Agreement as written, and he/she shall at all times be governed wholly by the terms of this Agreement. The arbitrator shall have no power or authority to amend, alter or modify this Agreement either directly or indirectly.

Section 4. Time Limitation. The time limits established in the grievance and arbitration procedure shall be followed by the parties hereto. If the time limit procedure is not followed by the Union, the grievance shall be considered settled in accordance with the City's last disposition. If the time procedure is not followed by the City, the grievance shall automatically advance to the next step. The time limits established in the grievance procedure may be extended by mutual agreement, provided it is reduced to writing and the period of extension is specified.

Section 5: Disciplined Employee. In the event an employee under the jurisdiction of the Union has completed the probationary period shall be suspended from work for disciplinary reasons or is discharged from employment after the date hereof and who believes he/she has been unjustly suspended or discharged, such suspension or discharge shall constitute a case arising under the Second Step of the Grievance Procedure, provided a written grievance with respect thereto is presented to the City Manager within three (3) regularly scheduled working days after such discharge or after the start of such suspension.

(a) The City agrees to promptly notify the Chief Steward of such suspension or discharge.

(b) It is understood and agreed that when an employee files a grievance with respect to suspension or discharge, the act of filing such a grievance shall constitute authorization of the City to reveal to the participants in the Grievance Procedure any and all information available to the City concerning the alleged offense, and such filing shall further constitute a release of the City from any and all claimed liability by reason of such disclosure.

Section 6: Reinstatement In the event it would be decided under the Grievance Procedure that the employee was unjustly suspended or discharged, the City shall reinstate such employee and pay full compensation, partial compensation or no compensation as may be decided under the Grievance Procedure, which compensation, if any, shall be at the employee's regular rate of pay at the time of such discharge or the start of such suspension, less any unemployment or other compensation he/she may have received or earned at other employment during such period.

ARTICLE 7
STRIKES AND LOCKOUTS

Section 1: Union Concerted Activity.

The Union agrees that during the life of this Agreement neither the Union, its agents nor its members will authorize, instigate, aid or engage in a work stoppage, slowdown, strike or any other concerted activity including sympathy or unfair labor practice strikes which interfere with the operations of the City. The City agrees that during the same period there will be no lockouts.

Section 2: Employee Concerted Activity.

Individual employees or groups of employees who instigate, aid or engage in a work stoppage, slowdown, strike or any other concerted activity including sympathy or unfair labor practice strikes which interfere with the operations of the City may be disciplined or discharged in the sole discretion of the City.

ARTICLE 8
SENIORITY

Section 1: Seniority Defined. Seniority shall be defined as an employee's length of continuous employment with the City or Board of Public Utilities (BPU) since the last hiring date. "Last hiring date" shall mean the date upon which an employee first reported for work at the instruction of the City or BPU since which the employee has not quit, retired or been discharged.

Section 2: Probationary Period. All new employees shall be probationary employees until they have actually worked six (6) months for the City. The probationary period may be extended an additional six (6) months upon mutual agreement between the City and the Union. The purpose of the probationary period is to provide an opportunity for the City to determine whether the employee has the ability, capacity and other attributes which qualify him/her for regular employee status.

During the probationary period, the employee shall have no seniority status and may be terminated at the sole discretion of the City without regard to the relative length of service and shall not have any right to file a grievance or other action against the City. Upon the successful conclusion of the probationary period, the employee's name shall be added to the seniority list as of the last hiring date.

Section 3: Seniority List. The City will maintain an up-to-date seniority list of the Electric Distribution, Meter, Power House, Waste Water and Water Divisions of the Department of Public Services. A copy of the seniority list will be posted on the appropriate bulletin board each six (6) months. The names of all employees who have completed the probationary period in the respective Department shall be listed on the Department's seniority list in order of last hiring date or permanent transfer into that Department, starting with the senior employee's name at the top of the list. If two (2) or more employees have the same last hiring date, their names shall appear on the seniority list alphabetically by the first letter of their last name. If two (2) or more employees have the same last name, the same procedure shall be followed with respect to their first names.

Section 4. Seniority Termination. A non-probationary employee's seniority with the City shall terminate and the employment relationship shall end under the following conditions:

(a) If the employee quits, retires or is discharged for just cause.

(b) If, following a layoff, the employee fails or refuses to notify the City Manager of his/her intention to return to work within five (5) regularly scheduled working days after a written notice sent by certified mail of such recall is sent to the last address on record with the City or after having notified the City Manager of his/her intent to return, fails to do so within five (5) regularly scheduled working days after such notice, unless mutually extended.

(c) If the employee fails to return to work within five (5) working days upon recall from layoff unless mutually extended in writing.

(d) When the employee has been laid off for a period of twelve (12) or more consecutive months.

(e) If the employee is absent from work for a period of twelve (12) consecutive months for any reason (except worker's compensation leave).

(f) When the employee fails to return to work immediately upon expiration of a leave of absence, unless otherwise excused by the City.

(g) If the employee is absent from work for three (3) consecutive working days unless otherwise excused.

ARTICLE 9
LAYOFF AND RECALL

Section 1: If the City determines it is necessary to eliminate a job classification or to reduce the number of occupants in a job classification in a Department, the least senior employee or employees in such job classification shall be the ones removed therefrom. Employees thus removed from the job classification shall exercise their seniority in any classification, seniority permitting, which work such replacing employee has the skill and ability and capacity to satisfactorily perform without break-in or training. Employees thus displaced from their Department will be allowed to exercise their bargaining unit seniority in any other Utility Department in any classification, provided the employee can demonstrate the skill and ability to perform the work with a minimum training period of up to one hundred twenty (120) calendar days.

Section 2: When recalling employees to work following a layoff, they shall be recalled in inverse order of layoff provided, at the time of recall, they have the skill and ability and capacity to satisfactorily perform the work and can demonstrate same with a minimum training period of up to thirty (30) calendar days.

ARTICLE 10
JOB VACANCIES

Section 1: Permanent vacancies within the bargaining unit shall be filled on the basis of bargaining unit seniority and qualifications. In the event of a vacancy the City agrees to post the position for 10 calendar days.

Section 2: In determining who will fill the permanent vacancy, the following shall be considered:

(a) Employee's length of bargaining unit seniority.

(b) Ability to perform the work.

(c) Results of interview with Department Head and City Manager or his/her designee.

(d) Department head's recommendation, subject to final decision by the City Manager.

All decisions regarding filling a permanent vacancy will be subject to the grievance procedure.

Section 3: The City shall have the right to hire from the outside if the minimum qualifications established for the position are not met by existing bidding employees.

Section 4: An employee who successfully bids for and whose bid is selected to fill a permanent job covered by this contract shall be a probationary employee in the new position for one hundred twenty (120) calendar days during which

(a) The employee can voluntarily return to the previous classification.

(b) The employee, if not satisfactory in the new position, shall be returned to the previous classification.

(c) The matter may become a subject for the Second Step of the grievance procedure.

(d) If the employee is unsatisfactory in the new position, notice and reason shall be submitted to the employee in writing by the City.

(e) The employee shall be paid at the first step that provides a pay increase for the job being performed.

Section 5. During the trial period, the employee will receive the rate of pay for the job being performed.

Section 6. Temporary Transfer. The City shall have the right to transfer employees from one job classification to another to cover for employees who are absent from work due to illness, accident, vacations or leaves of absence for the period of such absence. The City shall also have the right to temporarily transfer employees to fill temporary vacancies or to take care of unusual conditions or situations which may arise for a period not to exceed ninety (90) consecutive regularly scheduled work days. Employees transferred pursuant to this Section shall not accumulate seniority in the classification to which they were transferred, nor shall said employee lose any seniority in the permanent classification while on transfer. The City shall first offer the transfer to the most senior person capable of performing the work. If no employee agrees the City has the right to transfer the least senior person capable of performing the work.

ARTICLE 11
TRANSFERS FROM THE BARGAINING UNIT

Section 1: Transfers from the Bargaining Unit. Employees who were, or are, either promoted or transferred by the City to a non-bargaining unit position, shall continue to accumulate seniority for the first twelve (12) months. In the event said employee is either voluntarily or involuntarily returned to the bargaining unit, he/she shall be returned to the former classification and/or position with seniority.

(a) If an employee is transferred or promoted out of the bargaining unit for a period in excess of twelve (12) months and voluntarily returns to the bargaining unit, his/her seniority for purposes of job bid, vacation selection, shift preference, promotions and layoffs will be based

Section 5. If a holiday occurs during an employee's vacation, the employee will receive eight (8) hours straight time pay for the holiday and will not be charged as having used a vacation day.

ARTICLE 15
VACATIONS

Section 1. Vacation Pay. An employee may request to have his/her pay check issued on the last working day before vacation if the regular pay days falls during the approved vacation. Such request must be approved by the employee's supervisor and submitted, in writing, to the Finance Department a minimum of two weeks in advance of the date the employee wishes to receive the check.

Section 2. Vacation Eligibility: All full-time, non-probationary employees with the required city-wide seniority as of the anniversary date of hire shall earn vacation leave with pay in accordance with the following schedule:

Completed Years of Service	Days
1 year through 4 years	10 days
5 years through 10 years	15 days
11 years	16 days
12 years	17 days
13 years	18 days
14 years	19 days
15 years	20 days
16 years	21 days
17 years	22 days
18 years	23 days
19 years	24 days
20 years	25 days

Section 3. Vacation Schedule: Vacations may be taken only with the permission of the employee's Department Head. Bargaining unit seniority will be the controlling factor when scheduling vacations. The vacation schedule will be established each year between December 1 and December 15 for the following year. During that time each employee will sign up for vacation. In case of conflicts, the employee with the most bargaining unit seniority will be given preference. Seniority shall entitle an employee to only one first choice. Any changes to the vacation schedule after December 15 will be on a first come-first serve basis. The granting of said vacation shall be at the discretion of the Department Head based upon the manpower needs of the Department.

If two (2) or more employees request permission to take vacation time off at the same time and both or all cannot be spared from work at the same time, as among those who made their requests for vacation time off prior to December 15th, preference shall be given to employees with the greater amount of seniority. Vacation requests submitted after December 15th will be considered on a first-come, first-serve basis.

Section 4. Accumulated vacation allowance becomes immediately payable to the employee upon termination of employment, no matter what the reason for such termination.

Section 5. Employees may not take vacation in less than one-half (½) day increments.

Section 6: Under exceptional circumstances, at the discretion of the City, a maximum of one (1) week of vacation time may be carried over into the next vacation year. If vacation is not taken in the year it is earned (except as set forth in this section), it will be forfeited.

ARTICLE 16
LEAVES OF ABSENCE

Section 1. Leave of Absence:

(a) The City may grant a leave of absence for personal reasons not to exceed thirty (30) calendar days, without pay or benefits and without loss of seniority, to an employee who has completed the probationary period, provided, in the exclusive judgement of the City Manager or his/her designee, such employee can be spared from work. Requests for a personal leave of absence shall be in writing and shall be signed by the employee and given to the Department Head seven (7) days in advance. Approval shall be in writing and acknowledged by the employee's Department Head and the City Manager or his/her designee.

(b) The Department Head may grant a leave of absence, not to exceed three (3) days, for personal reasons without pay or benefits and without loss of seniority, to an employee who has completed the probationary period, provided, such employee can be spared from work. Requests for a personal leave of absence shall be authorized by the Department Head.

Section 2: Sick Leave. Sick leave shall be accumulated at a rate of one (1) day per month to a maximum of one hundred twenty (120) days. Sick leave is for use by non-probationary employees for medical reasons.

(a) In order to qualify for sick leave payments, the employee must report the intended leave of absence to the employee's supervisor or the Power House not later than thirty (30) minutes prior to the start of the shift.

(b) If the City has advised the employee that future use of sick leave will require a doctor's certificate, then the employee must present a medical certificate attesting to the employee's physical inability to perform the required work.

(c) An employee who makes a false claim for sick leave shall be subject to discipline up to and including dismissal.

(d) Personal Leave Days. An employee is entitled to one (1) personal leave day per quarter after reaching fifty five (55) days of accumulated sick leave and maintaining that accumulation or a higher amount for each quarter thereafter. A maximum of four (4) personal leave days may be accumulated.

(e) An employee injured on the job and receiving Worker's Compensation shall receive supplemental pay from the City for a period up to one (1) year from the Worker's Compensation payments begin. In no event shall combined payments be more than the employee's normal regular weekly salary.

(1) All payments received during the last six (6) months of the above one (1) year period shall be calculated to relate to the employee's accumulated sick leave. In the event the employee has insufficient sick leave to cover this period of time, the above supplemental pay shall stop at the expiration of the available sick leave to be used for this purpose.

(2) An employee on sick leave of absence or off work due to a compensable injury shall have all the insurance paid for one (1) year duration while on leave by the City.

(f) Upon retirement pursuant to the City's retirement Plan, for certified medical reason or death, employees or their beneficiaries shall be paid fifty percent (50%) of up to eight hundred (800) hours of said unused non-frozen accumulated sick leave. Employees who, as of the effective date of this Agreement, have in excess of eight hundred (800) hours of accumulated sick leave shall have said sick leave frozen. Frozen sick leave may be used as needed and in accordance with this Section 2, or paid off as set forth above. Frozen sick leave shall be paid off at the employee's hourly rate as of May 31, 1981.

(g) If, after ten (10) years of employment an employee voluntarily leaves, quits or resigns employment while in good standing and with proper notice (two weeks), and not as a result of discharge or discipline, said employee shall be paid the equivalent of twenty five percent (25%) of the accumulated sick leave.

(h) Sick leave shall be allowed by non-probationary employees for medical treatment or dental extraction in not less than one-half (½) day increments, provided three (3) days advance written notice is given to the supervisor, unless the required treatment/extraction is of an emergency nature.

(i) Sick leave will be allowed by non-probationary employees to the extent of one (1) work week for each specific instance to the extent of one's accumulated sick leave, in the event of

a doctor's certified need for the employee to be present due to serious illness of the employee's current spouse and children.

(j) Employees who, as of May 1, 1993, have in excess of one hundred twenty (120) work days of accumulated sick leave "banked" shall have such excess time placed in a separate bank to be used by the employee in accordance with the provision of Section 2. As such leave days from this excess bank are used, they will be paid at the employees rate of pay as it existed on July 1, 1992.

Section 3: Military Leave:

(a) Any full-time employee who enters active service in the Armed Forces shall be given leave and shall be re-employed in accordance with the applicable Federal and State statutes and shall be entitled to any other benefits set forth in this Agreement.

(b) Any permanent employee participating in a branch of the Armed Forces Reserve Training Program shall be granted a leave of absence not to exceed fifteen (15) calendar days upon presentation of proper documentation by the Commanding Officer.

Section 4: Family and Medical Leave Policy: The City of Marshall has adopted the Family and Medical Leave Act. Accordingly, it is the policy of the City of Marshall to allow up to 12 work weeks (60 work days) of leave per year to all employees who have completed at least 12 months of service and who have worked more than 1,250 hours during the previous 12 month period. Such leave will be available to an employee who suffers from a serious health condition that requires either in-patient care in a hospital, hospice, or residential medical care facility, or continuing treatment by a health care provider.

(a) Maternity or Adoption Leave. An employee shall be entitled to a parental leave of 12 work weeks during the first year after birth or adoption of a child. This parental leave will be charged first to accumulated and earned sick leave and if this is not sufficient, leave will be charged to accumulated personal and/or vacation time. If accumulated time is exhausted the employee may continue parental leave without pay. The employee's position with the City will be available upon the employee's return.

(b) Family and Medical Leave. An employee may be granted up to 12 work weeks of leave during any 12 month period in order to care for his/her or spouse, son, daughter, or parent who suffers from a serious health condition.

In order to be entitled to family, maternity, adoption, or personal medical leave, an employee will be required to present a medical certification from a health care provider which contains the following information:

a. The day on which the serious health condition commenced.

b. The probable duration of the condition.
c. The appropriate medical facts within the knowledge of the health care provider regarding the condition.

The City may require that the employee obtain a second opinion from a second health care provider at the expense and request of the City.

(c) Coordination of Other Leave. As part of the family or medical leave, the employee must first utilize any accrued sick leave or vacation leave and/or personal leave. Thereafter, if such paid leave has been exhausted, the remainder of the leave shall be unpaid.

ARTICLE 17
RETIREMENT SYSTEM

The employees shall be required to participate in the Municipal Employees Retirement System (MERS) established pursuant to Act 427 P.A. 1984 as amended. The precise details of the coverage are available in the MERS handbook and the provisions of the statute. The provisions of this article are guidelines only and are intended merely to memorialize some of the substantive provisions of the Retirement System available to the employees. Those provisions currently include:

(a) F55 at 25
(b) Benefit Program B-2 (2% of member's final average compensation multiplied by years and months of credited service)
(c) Final Average Compensation 5 (FAC-5); and
(d) Employee contribution - 5.82% of the employee's total, annual gross compensation.

ARTICLE 18
FUNERAL LEAVE

Section 1. Employees will be granted up to three (3) working days leave for death in the immediate family without loss of pay. The following shall be considered immediate family:

Wife, Husband, Child, Father, Mother, Father-in-Law, Mother-in-Law, Sister, Brother, Stepfather, Stepmother, Grandparents of the employee or spouse, Stepchildren and Grandchildren.

Section 2. In the event it is necessary to take additional days beyond that provided for in Section 1, it is permissible to take up to two (2) additional normal working days from either the employee's accumulated sick leave or vacation days. Anything beyond those set forth above must come from vacation.

Section 3. Other than immediate family funerals, an employee, at the discretion of the supervisor, can receive time off to be charged up to four (4) hours from vacation or personal time.

ARTICLE 19
MATERNITY LEAVE

Maternity leave will be treated as all other illnesses and be covered under the sick leave provision of the collective bargaining agreement.

ARTICLE 20
JURY DUTY LEAVE

Section 1. A full-time non-probationary employee who is summoned and reports for jury duty, on a day he/she is otherwise scheduled to work, shall be paid, for each day spent performing jury duty, an amount equal to the difference between the employee's regular rate of pay for eight (8) hours (exclusive of all premiums) and the daily jury fee paid by the Court. In order to receive payment under this section, an employee must give the City Manager prior notice that he/she has been summoned for jury duty and must furnish satisfactory evidence that jury duty was performed for the days he/she claimed such payment. An employee who is summoned but does not serve as a juror must promptly report for work upon being excused.

ARTICLE 21
HOURS OF WORK

Section 1: Normal Work Week. The normal work week for a full-time employee shall begin at 12:01 a.m., Sunday and end at 12:00 p.m., Saturday. A work week shall consist of five (5) regularly scheduled recurring eight (8) hour work days during any seven (7) consecutive day period. The two (2) remaining days, which shall be consecutive, shall be known as "off days." Department and job classification hours currently in effect shall remain in effect, except for emergencies that are to be for a temporary period of time. However, working conditions may arise that would cause the City to change a Department's work schedule, in which event the City will notify the steward and the effected employee five (5) working days prior to implementation of such change. Employees whose job classification work schedule is changed by the City may use their seniority to bid onto another work schedule within their Department and job classification, provided the employee submits his bid within seventy-two (72) hours. The normal hours of work are:

(a) 7:00 a.m. to 3:00 p.m., 3:00 p.m. to 11:00 p.m. and 11:00 p.m. to 7:00 a.m. for Power House employees;

(b) 7:30 a.m. to 4:00 p.m. for Electric Distribution, Meter, Waste Water and Water Distribution employees except that holidays and weekend hours shall be 7:00 a.m. to 3:00 p.m. for Water Plant and Waste Water employees ;

(c) 7:30 a.m.- 3:30 p.m. for the employee operating the water plant during non-holidays and non weekend hours.

Section 2: Rest Breaks. Employees shall be entitled to a rest break not to exceed fifteen (15) minutes duration at or near the midpoint of the first half of their eight (8) hour shift, and not to exceed fifteen (15) minutes duration at or near the midpoint of the second half of their eight (8) hour shift. It is understood and agreed that the timing of the break period may vary depending upon the nature of the work being performed by the employee at the time, it being recognized that under certain conditions it will be impossible or impractical for employees to take a break period until the urgent or critical aspect of the job then being performed has been completed.

(a) Employees shall be required to be ready to start work at the start of their shift and shall be required to remain at work until the end of their shift, except as above provided and except for the lunch period. A wash-up period at the end of the work day will be allowed commensurate with the demonstrated need.

(b) Employees may be required to punch in on the time clock at the start of their shift, out at the end of their shift and any time they leave their employment and in accordance with any reasonable rules established by the City related thereto.

(c) Those employees required to remain at the job site the entire eight (8) hour shift shall receive a minimum of a twenty (20) minute lunch period.

Section 3: Overtime Pay. Time and one-half (1 ½) an employee's regular straight time hourly rate shall be paid for work performed or hours paid for in excess of forty (40) hours of work or pay in any one (1) regularly scheduled work week or for hours worked in excess of eight (8) hours in any one day except at shift or schedule changes with proper notice to the effected employee; except for one (1) Operator at the Powerhouse who shall work two (2) eight (8) hour shifts at straight time on a designated work day. There shall be no pyramiding of overtime and no double payment of overtime. Employees, who perform work seven (7) consecutive days, shall be paid double (2) time their regular straight time hourly rate for all work performed on the seventh (7th) consecutive day of working within a work week.

Section 4: Recognition of Overtime: The employees recognize that they may be required to work a reasonable amount of overtime and agree that they will perform such additional work as a condition of their continued employment. Overtime shall be offered on a rotational basis to employees who are capable of performing the work within the Electric Distribution, Meter, Power House, Waste Water and Water Divisions of the Department of Public Services. A list showing the total amount of overtime worked, and any overtime work offered will be maintained at each work location. Management shall attempt to keep the overtime as equal as possible. An employee who is offered overtime but declines will be counted as having worked said overtime for the purposes of this provision. Employees who work overtime outside their Divisions shall not have the overtime counted within the aforementioned equalization.

ARTICLE 22
ON-CALL DUTY AND CALL BACK

Section 1: On-Call The following provisions shall apply to those employees included in the on-call rotation.

(a) A line crew consists of one (1) Class A lineman or one (1) Senior Lineman per crew, each crew pulling one (1) week of on-call duty in rotation.

(b) The on-call duty period starts at 4:00 p.m. on Friday and continues until 4:00 p.m. the following Friday, during non-working hours and whenever the Utility is closed to regular business and shall exclude the lunch period.

(c) Employees' response time to the designated regular reporting location while on call shall be as soon as possible, but not more than twenty (20) minutes from the time crew members are contacted until they punch in on the time clock.

(d) Employees who are on-call must either notify the Power House of the telephone number where they can be reached or be available via a City provided pager. It shall be the employee's responsibility to ensure that he/she can be reached and respond within the designated time.

(e) For the duration of this Agreement, the on-call compensation for the line crew who is scheduled by the City, and who performs all of the on-call duty for which scheduled, shall be a total of $4,892.00 each year divided equally among designated crew members.

Section 2: Call Back: Whenever an employee is called in:

(a) Whenever an employee is called in, the pay shall be two (2) hours pay at one and one-half (1½) times the normal hourly rate for any call-in taking up to two (2) hours. If the hours worked exceed the minimum pay, the employee shall receive pay for only the hours worked. The guaranteed minimum will not apply to any call-in that is contiguous to the ending of the employee's regular shift or during the employee's lunch break.

(b) An employee who is performing on-call duty on a holiday provided for under this Agreement shall receive eight (8) hours pay in addition to the employee's regular holiday pay for being on-call between the hours of 8:00 a.m. and 4:00 p.m. in lieu of overtime and the two (2) hour minimum. However, employees on call who are called out between the hours of 8:00 a.m. and 4:00 p.m. which exceeds two (2) hours shall be paid in excess thereof at the rate of time and one-half (1-1/2) their straight time hourly rate for the time actually worked. For the time worked on a holiday by an on-call employee between the hours of 4:00 p.m. to 8:00 a.m., he/she shall receive the two (2) hour minimum, unless it exceeds two (2) hours per call out,

then he/she shall be paid at the rate of time and one-half (1-1/2) his straight time hourly rate from the time he/she punches in until he/she punches out.

ARTICLE 23
SUBCONTRACTING

Section 1. The City shall have the right to use outside contractors for the work which, in its judgment, it does not have the manpower, proper equipment, capacity, or ability to perform or cannot perform on an economical basis. The Employer agrees to negotiate the effects of any layoffs resulting from subcontracting of unit work.

ARTICLE 24
INSURANCE

Section 1: Health Insurance. The City shall, for the duration of this contract, continue to provide health, medical and hospitalization insurance to its regular full-time employees and the employee's dependents. Said coverage shall be substantially equivalent to that provided in the previous agreement. Coverage shall include the $5.00 Preferred Rx prescription program, 90/10 copay and $100 single/$200 full family major medical deductible.

(a) The employee and employer shall each contribute 50% of the premium cost for the FAC Rider to be deducted from the employee's pay each pay period for as long as the FAC Rider is in effect.

Section 2: Dental Insurance. The City agrees to maintain the current dental insurance coverage. should the City wish, during the life of this contract, to change carriers, it may do so after consultation with the Union. The City agrees that a new carrier should provide the same overall coverage as presently exists, except by mutual agreement of the parties.

Section 3: Group Life Insurance. A regular full-time employee, upon completion of the probationary period, shall be entitled to group life insurance in the amount of $15,000 with double indemnity.

Those employees who are, at their own expense, purchasing additional life insurance via State Life may continue to do so as long as said Plan is available from this provider.

Section 4: Optical. The City shall reimburse a regular full-time employee for actual expenses incurred by the employee or the employee's dependents for eye examinations and/or corrective lenses up to a total of two hundred fifty dollars ($250.00) per year (July 1 - June 30).

ARTICLE 25
LONGEVITY PAY

An Employee's eligibility for longevity pay will be determined based upon the employee's continuous years of service prior to November 1 of any year.

Longevity payments will be made once each year during the first pay period in January. The longevity payment is computed as the number of complete years on or before November 1 prior to the payment. The following is a schedule of longevity benefits:

5 years of service	1.0% of the employee's W-2 earnings for the previous year less the previous year's longevity payment
6 years of service	1.2% of the employee's W-2 earnings for the previous year less the previous year's longevity payment
7 years of service	1.4% of the employee's W-2 earnings for the previous year less the previous year's longevity payment
8 years of service	1.6% of the employee's W-2 earnings for the previous year less the previous year's longevity payment
9 years of service	1.8% of the employee's W-2 earnings for the previous year less the previous year's longevity payment
10 years of service	2.0% of the employee's W-2 earnings for the previous year less the previous year's longevity payment

Every year thereafter shall increase at 0.2% per year until the maximum rate of 5.0% is reached at 25 years of continuous service. Longevity payments shall be added to wages in determining an employee's average compensation for retirement.

(a) Longevity payments will be made on base wage (2080 hours) for any unit member hired full time after July 1, 1998.

ARTICLE 26
WAGES

Section 1: Rate of Pay. The job classifications, rate ranges and incremental steps applicable thereto are set forth in Appendix A attached hereto and by this reference made a part hereof.

Section 2: Pay Day. Employees shall be paid every other week. The pay day will automatically change to Wednesday when the union is notified that the general City, non-union employees change to a Wednesday pay day.

ARTICLE 27
GENDER

Reference to the masculine gender may refer to the feminine gender or vice versa.

ARTICLE 28
VALID DRIVER'S LICENSE

Section 1: All employees of the Electric Distribution, Meter, Power House, Waste Water and Water Divisions of the Department of Public Services are required to hold a valid, Michigan driver's license.

(a) Any employee who fails to renew or whose driver's license is suspended is subject to disciplinary action up to and including termination.

Section 2: The City of Marshall will reimburse the employee for fees paid to the State of Michigan for renewal of a CDL license if the employee is required to have a valid CDL license as a condition of his/her employment with the City.

(a) Any employee who fails to renew a CDL when required to do so is subject to disciplinary action up to and including termination.

(b) The City of Marshall will have no obligation to reimburse the employee for costs associated with CDL renewal for any tests the employee fails to pass.

Section 3: The City of Marshall will reimburse the employee for fees paid to the State of Michigan for first time acquisition of a CDL license if the employee's current position changes to require a valid CDL license as a condition of his/her continued employment with the City.

Section 4: The nature of the above offense(s) will determine the appropriate discipline imposed.

ARTICLE 29
AMERICAN WITH DISABILITIES ACT

The City and the Union agree to cooperate in an attempt to accommodate a disabled employee or applicant who is unable to perform the essential functions of the job. This article shall not be amended without mutual consent of the parties.

ARTICLE 30
UNION VISITATION

Authorized representatives of the Union shall be permitted to visit the operations of the City for purposes of contract administration. The Union agrees that such Union representative shall first announce himself to the City Manager or his designee and further agrees that such visits shall not interfere with the operation of the City and work being performed by its employees.

ARTICLE 31
PERSONNEL POLICIES

Section 1: Personnel Rules: The City shall have the right to make rules and regulations for the purpose of maintaining order, safety and/or efficient operations, provided such rules are not inconsistent with the terms of this Agreement. The policies contained in the City of Marshall Personnel Policy Manual shall apply to the employees covered by this Agreement except to the extent that the policies are inconsistent with the terms of this Agreement.

ARTICLE 32
MISCELLANEOUS

Section 1: Emergencies. It is understood and agreed that in case of emergencies, when a sufficient number of qualified employees are not readily available to handle such emergencies, qualified personnel from any Department of the bargaining unit may be used interchangeably between Departments for the duration of the emergency.

Section 2: Savings Clause. If, during the life of this Agreement, any of the provisions contained herein are held to be invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any provisions should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement shall not be affected thereby. In the event any provision herein contained is so rendered invalid, upon written request by either party hereto, the City and the Union shall enter into collective bargaining for the purpose of negotiating a mutually satisfactory replacement for such provision.

Section 3: Total Contract Terms. 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 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 waive the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subjects or matters may not have been within the knowledge or contemplation of either or both of the parties at the time they negotiated or signed this Agreement.

Section 4: Supplemental Agreements. No agreement or understanding contrary to this Collective Bargaining Agreement, nor any alteration, variation, waiver, or modification of any of the terms or conditions contained herein shall be binding upon the parties hereto unless such agreement, understanding, alteration, variation waiver or modification is executed in writing between the parties. It is further understood and agreed that this contract constitutes the sole, only, and entire agreement between the parties hereto and cancels and supersedes any other agreements, understandings, and arrangements heretofore existing.

Section 5: Employee Equipment. The City will furnish and the employee shall use required equipment.

Section 6: Uniforms. Employees shall be provided with eleven (11) sets of uniforms to be worn when performing work while on the City payroll and while traveling to and from work. Employees shall report to work with a clean uniform. During hot weather, employees may substitute the uniform shirts with a solid, one color tee-shirt except when working around electrical current the employee shall wear the uniform shirt provided. Each year of this Agreement, the City will contribute the dollar amount below toward the purchase of steel-toed footwear that must be worn on the job. The employee must demonstrate proof of purchase to the Finance Department who will process the City's contribution through established account payable procedures.

July 1, 1998 $74.00 July 1, 1999 $76.00 July 1, 2000 $78.00

Section 7: Substance Abuse and Drug/Alcohol Testing Policy. The City and Union have negotiated a Substance Abuse and Drug/Alcohol Testing Policy to protect the health and safety of employees and the public. The policy is fully set forth as Appendix B.

Section 8: Safety Glasses: The City of Marshall will reimburse the employee up to $40.00 (single vision), $60.00 (bifocal) and $70.00 (trifocal) toward the purchase of MIOSHA approved safety glasses with side shields permanently affixed if purchased from a City approved supplier. This service is limited to once every twenty four (24) months unless damaged in a job related accident or if there is a prescription change. The City of Marshall will not reimburse the employee for any eye examinations through this program. All purchases must be approved in advance by the appropriate supervisor.

Section 9: Meals. An eight dollar ($8.00) maximum shall be reimbursed to an employee who submits a receipt to the Finance Department and who is:

(a) called out and required to work two (2) hours prior to the start of the regular shift and continues to work the regular shift thereafter,

(b) required to work not less than three (3) hours beyond the normal quitting time;

(c) called out and required to work for at least five (5) hours on Saturday, Sunday or on a holiday as specified in this Agreement.

(d) A period not to exceed thirty (30) minutes shall be allowed as an unpaid meal break.

(e) With the approval of the employee's supervisor and/or foreman, a member of the crew shall be permitted to pick up food and non-alcoholic beverages provided that an adequate staffing level can be maintained to insure job continuation, employee and public safety during the absence.

(f) An employee shall be reimbursed up to eight dollars ($8.00) upon submission of a receipt to the Finance Department for each five (5) hour period worked beyond the periods provided in items (a), (b) and (c) of this section

Section 10: Supervisor Working. Nothing contained in this Agreement shall be construed to restrict or limit supervisors or other non-bargaining unit employees from, time to time, performing bargaining unit work in the same manner and to the same extent as supervisory and non-bargaining unit employees performed such work prior to the execution of this Agreement or where it will result in the direct layoff of bargaining unit employees.

ARTICLE 33
DURATION

This Agreement shall continue in full force and effect from, July 1, 1998 through midnight, June 30, 2001. If either party desires to amend and/or terminate this Agreement, it shall, not more than ninety (90) or less than sixty (60) days prior to the above termination date, give the other party written notice of its intention to amend or terminate. If no notice is given, this Agreement shall continue in effect from year to year thereafter.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this 29 day of Sept., 1998

INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS OF AMERICA, LOCAL 214

CITY OF MARSHALL

(c) called out and required to work for at least five (5) hours on Saturday, Sunday or on a holiday as specified in this Agreement.

(d) A period not to exceed thirty (30) minutes shall be allowed as an unpaid meal break.

(e) With the approval of the employee's supervisor and/or foreman, a member of the crew shall be permitted to pick up food and non-alcoholic beverages provided that an adequate staffing level can be maintained to insure job continuation, employee and public safety during the absence.

(f) An employee shall be reimbursed up to eight dollars ($8.00) upon submission of a receipt to the Finance Department for each five (5) hour period worked beyond the periods provided in items (a), (b) and (c) of this section

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INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS OF AMERICA, LOCAL 214

CITY OF MARSHALL

Fax Note 7671 | Date 10/15/98 | To TERRY DORCY | From ANN ATKINS | Co. | Phone # | Phone # 616-781-5153 | Fax # 616-383-2570 | Fax # 616-781-3835

APPENDIX A

Section 1: Effective with the first full pay period as of July 1, 1998, the following hourly rates shall be in effect. A = starting wage, B = end of probation wage, C = anniversary date of classification

	Required License	JULY 1, 1998 - JUNE 30, 1999 A	B	C	JULY 1, 1999- JUNE 30, 2000 A	B	C	JULY 1, 2000 - JUNE 30, 2001 A	B	C
WATER										
Utility 1	none	$12.90	$13.30	$13.70	$13.30	$13.70	$14.10	$13.70	$14.10	$14.50
Utility 2	S4/D4	$13.15	$13.55	$13.95	$13.55	$13.95	$14.35	$13.95	$14.35	$14.75
Utility 3	S3/D3	$13.40	$13.80	$14.20	$13.80	$14.20	$14.60	$14.20	$14.60	$15.00
Utility 4	S2/D2	$13.65	$14.05	$14.45	$14.05	$14.45	$14.85	$14.45	$14.85	$15.25
Plant Operator II	D2	$14.44	$14.84	$15.24	$15.09	$15.49	$15.89	$15.49	$15.89	$16.29
Distribution Working Foreman	none	$14.19	$14.59	$14.99	$14.59	$14.99	$15.39	$14.99	$15.39	$15.79
Distribution Working Foreman	S2	$14.44	$14.84	$15.24	$15.09	$15.49	$15.89	$15.49	$15.89	$16.29
WASTEWATER										
Operator I	none	$13.04	$13.44	$13.84	$13.44	$13.84	$14.24	$13.84	$14.24	$14.64
Operator D	D	$13.29	$13.69	$14.09	$13.69	$14.09	$14.49	$14.09	$14.49	$14.89
Plant Operator C	C	$13.54	$13.94	$14.34	$13.94	$14.34	$14.74	$14.34	$14.74	$15.14
Plant Operator II	B	$14.44	$14.84	$15.24	$15.09	$15.49	$15.89	$15.49	$15.89	$16.29
POWER HOUSE										
Operator I		$13.64	$14.04	$14.44	$14.24	$14.64	$15.04	$14.64	$15.04	$15.44
Operator II		$14.79	$15.19	$15.59	$15.39	$15.79	$16.19	$15.79	$16.19	$16.59
Maintenance Mechanic I/Operator		$15.09	$15.49	$15.89	$16.09	$16.49	$16.89	$16.49	$16.89	$17.29
Maintenance Mechanic II/Operator		$15.53	$15.93	$16.33	$16.53	$16.93	$17.33	$16.93	$17.33	$17.73
Lead Operator/Maintenance Mechanic II		$17.03	$17.43	$17.83	$18.03	$18.43	$18.83	$18.43	$18.83	$19.23
METER										
Meter Reader I		$12.13	$12.58	$12.98	$12.58	$12.98	$13.38	$12.98	$13.38	13.78
Meter Reader II		$12.70	$13.10	$13.50	$13.10	$13.50	$13.90	$13.50	$13.90	$14.30
Meter Tester/Serviceman		$14.53	$14.93	$15.33	$14.93	$15.33	$15.73	$15.33	$15.73	$16.13
Meter Serviceman		$15.59	$15.99	$16.39	$15.99	$16.39	$16.79	$16.39	$16.79	$17.19
DISTRIBUTION										
Storekeeper		$13.89	$13.49	$13.89	$13.69	$14.09	$14.49	$14.09	$14.49	$14.89
Apprentice Lineman										
	start	$12.92			$13.32			$13.72		
	1000 hours	$13.38			$13.78			$14.18		
	2000 hours	$13.84			$14.24			$14.64		
	3000 hours	$14.30			$14.70			$15.10		
	4000 hours	$14.76			$15.16			$15.56		
	5000 hours	$15.22			$15.62			$16.02		
	6000 hours	$15.68			$16.08			$16.48		
	7000 hours	$16.16			$16.56			$16.96		
A Lineman		$16.16	$17.63	$19.10	$16.56	$18.03	$19.50	$16.96	$18.43	$19.90
Sr. Lineman		$19.58	$19.98	$20.38	$19.98	$20.38	$20.78	$20.38	$20.78	$21.18
Lead Lineman		$21.08	$21.48	$21.88	$21.48	$21.88	$22.28	$21.88	$22.28	$22.68

APPENDIX A

Section 2:

(a) Employees designated by the Employer as working leadmen or working foremen in electric distribution will be paid a minimum of twenty cents ($.20) per hour in addition to the hourly rate being paid at the time of designation for all hours worked as leadman or working foreman.

(b) An employee in the apprentice lineman program who either voluntarily or not voluntarily withdraws from the program prior to successful completion shall be eligible, for twelve (12) months, to bid for an open position. If selected to fill an open position, the employee shall be subject to a one hundred twenty (120) calendar day probationary period without the right to return to the former position if terminated for just cause prior to the completion of probation.

(c) An employee who, through their own fault, loses, fails to obtain or refuses to acquire a state or federal required license shall be subject to appropriate disciplinary action up to and including dismissal.

(d) A shift premium will be paid to those employees scheduled to and who actually work the following shifts as operators in the Powerhouse:

3:00 - 4:00 p.m. to 11:00 p.m. - 12:00 midnight	20¢ per hour
11:00 p.m. - 12:00 midnight to 7:00 - 8:00 a.m.	20¢ per hour
Swing Shift	20¢ per hour

APPENDIX B
SUBSTANCE ABUSE AND ALCOHOL/DRUG TESTING POLICY

In continuing to provide for the health and safety of its employees, and to ensure the health and safety of others, the City and the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, Local 214 have negotiated the following alcohol/drug testing policy.

SECTION 1: GENERAL PROVISIONS

Copies of this policy shall be distributed to all Department of Public Utilities employees. This policy shall become effective on the date the Authorization and Release is signed. In the event of a refusal to sign, documentation by the Department Head will make the policy effective.

A. All employees engaged in drug/alcohol abuse are encouraged to identify themselves to the City Manager, the Department Head, or their immediate supervisor. The City may refer such employees to a rehabilitation program and allow continued employment where appropriate.

B. When drug or alcohol abuse is suspected, the basis for the suspicion should be documented and provided to the City Manager or designee who is responsible for determining the proper cause of action thereafter.

C. Management will ensure supervisory personnel are given training to recognize and deal with behavior changes typical with drug/alcohol abuse, and that all employees, including new hires, are made aware of this policy.

D. This policy does not contemplate the use of drug screening analysis on a random basis.

SECTION 2: ALCOHOL/DRUG TESTING POLICY

A. Any employee involved in either a job-related accident or job-related incident which caused physical injury, or caused property damage exceeding $2,500.00 will be subject to alcohol/drug testing. Any refusal to submit to such testing will subject the employee to immediate discharge.

B. Any other testing of employees not described in A or B above for the presence of controlled substances or illegal drugs and alcohol must be based upon reasonable suspicion that an employee has taken, consumed or used such substances. The standard for determining reasonable suspicion will be guided by the following:

- The test must be requested by the City Manager or designee.

- Reasonable suspicion shall be based upon specific objective facts and reasonable inferences drawn from those facts in light of experience and/or training.

- Where the reasonable suspicion is based upon personal observation by a supervisor, the objective facts must be articulable and may include a person's appearance or behavior.

C. The facts forming the basis for the reasonable suspicion shall be disclosed to the employee at the time that demand for testing is made, and the employee shall, at that time, be given the opportunity to explain his/her behavior or actions. In addition, where drug testing is recommended, the employee shall be allowed to make such explanation to the City Manager in person and also allowed to commit any explanation to written form. The employee shall have the right to Union representation if a Union member. Any refusal to take the test may result in immediate discharge in the discretion of the City.

D. Within five (5) calendar days after the demand for testing, the facts forming the basis for reasonable suspicion and reasonable inferences drawn from those facts including the employee's statement, if any, shall be reduced to written form, and a copy shall be given to the employee.

E. The use of medications prescribed by a physician and its appropriate use is not intended to be prohibited by this policy. However, employees using such medications are responsible for the potential effects such drugs may have. Use of medications that may impair physical or mental ability, judgment or work performance must be reported to your supervisor when reporting for work.

SECTION 3: RELEASE FROM DUTY

Any time an employee has been ordered to be tested, based upon reasonable suspicion, the employee shall not drive any vehicle or perform any job duties or functions, unless so authorized by the City Manager or designee. The employee will be compensated according to his/her Collective Bargaining Agreement or salary/wage schedule for all time spent in the testing process. When possible, such testing will be conducted during the employee's scheduled work hours.

SECTION 4: LABORATORY TEST

Arrangements will be made to transport the person taking the test to the hospital or independent laboratory to perform the test. A proper chain of custody in compliance with the United States Department of Transportation (DOT) Regulations will be maintained on all tests.

In the case of urine testing for illegal use, the laboratory used must be certified by the National Institute on Drug Abuse (NIDA). The initial screen test will be of the immunological assay type and will be conducted using the "EMIT" test. No disciplinary action shall be taken based upon the initial screen test. If the initial test is positive, an immediate follow-up test on the identical sample will be conducted using the gas chromatography/mass spectrometry method.

Decision levels are set sufficiently high enough to preclude any other possible reason for a drug's presence except illicit use. The following decision levels, reported in nanograms per milliliter, are proposed for deciding the point at which the presence of a drug on an EMIT test would be reported as positive, i.e., the point at which a confirmation test (GC/MS) will be required.

NIDA-5 (screen and GC/MS confirmation)

Drug Group	Drug or Metabolite detected	Initial test level ng/ml	GC/MS confirmation
Amphetamine	Amphetamine	1,000 ng/ml	500 ng/ml
	Methamphetamine	1,000 ng/ml	500 ng/ml
Cocaine metabolites	Benzoylecgonine	300 ng/ml	150 ng/ml
Marijuana metabolites	delta-9-THC-9-COOH	100 ng/ml	15 ng/ml
Opiate metabolites	Codeine	300 ng/ml	300 ng/ml
	Total Morphine	300 ng/ml	300 ng/ml
Phencyclidine	PCP	75 ng/ml	75 ng/ml

If an EMIT test detects the presence of a drug equal to or above the confirmation level of the test result, the test will be considered as failed.

Upon completion of all testing, the employee will receive telephone notification of the results of the testing by the laboratory or as soon as practical after the City receives such notification. If the results of confirmation testing are positive, the results will be reported to the City Manager.

If an employee is requested to undergo a blood/alcohol or breathalyzer test, and the test reveals a minimum level of .07, the employee will have failed the test.

It is the intent of this program to test for those agents that are most frequently contained in the drugs of abuse. Therefore, the preceding list of drugs included in the table is subject to continual review and possible modification.

SECTION 5: REHABILITATION AND LAST CHANCE

A. An employee who fails the tests described above shall, as a condition of continued employment, become involved in a rehabilitation program approved by the City Manager.

B. An employee must, if able, continue work while in a rehabilitative program if, in the City's opinion, he/she is capable of satisfactory performance and if the employee agrees to be tested for drugs/alcohol according to the rehabilitation program rules. Approv from the City Manager is required.

C. An employee who must discontinue work while in a rehabilitative program may take an unpaid medical leave of absence. Medical documentation by a physician approved by the City as to diagnosis, dates, and duration of treatment and rehabilitation is required.

D. Upon satisfactory completion of the rehabilitation by the employee, it will be a condition of re-employment that the employee agrees to be tested for drugs/alcohol at the City's discretion for a reasonable period not to exceed eighteen (18) months.

E. The employee must remain in the rehabilitation program for an adequate period of time as determined by the program professionals. The employee must provide to the City, at time intervals determined by the City Manager or designee, reports of satisfactory participation in the program. In addition, a report of satisfactory completion of the program at the termination of active treatment is required. These reports should come from the director of the program or other appropriate persons affiliated with the program. The failure to complete the program may result in immediate discharge in the City's discretion.

F. The employee acknowledges that enrollment in a rehabilitation program is for the purpose of treatment and counseling against the illegal use or possession of controlled substances or alcohol abuse. Any illegal use, sale or possession of illegal drugs or controlled substances or alcohol abuse following treatment or counseling will result in immediate dismissal. All employees must acknowledge that the rehabilitation program is a "last chance" program.

SECTION 6: EMPLOYEES DETERMINED TO BE IN NEED OF REHABILITATIVE ASSISTANCE

A. An active employee on medical leave who drops out of an approved rehabilitation program against the recommendation of the program director or other appropriate persons affiliated with the program will be immediately terminated and will be ineligible for re-employment.

B. An employee who (1) refuses to become involved in an approved rehabilitation program, or (2) agrees to become involved in an approved rehabilitation program but fails to start the program within fifteen (15) days, or (3) does not agree to submit to periodic re-examination or testing at the discretion of the City will be terminated.

C. An employee who has successfully completed a rehabilitation program, or otherwise remains employed or becomes re-employed after having tested positive for the presence of drugs/alcohol, will be terminated if the employee is subsequently found to be under the influence of drugs/alcohol or suffering from the side effects of drugs/alcohol abuse.

NOTICE: Any employee who possesses, sells, attempts to sell, or in any other way distributes illicit narcotics or drugs on City property or during work hours will be discharged. Law enforcement officials will be informed of such conduct.

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