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5/31/2003

BARGAINING COMMITTEE

Richard Anes
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LABOR CONTRACT AGREEMENT

BETWEEN

CITY OF LUDINGTON

AND

LOCAL 586 OF THE PUBLIC EMPLOYEES UNION
S.E.I.U., AFL-CIO, UNIT NO. 1

JUNE 1, 2000 – MAY 31, 2003

Ludington, City of

CITY OF LUDINGTON
SALARIES & LABOR RELATIONS COMMITTEE

Brent Scott
Paul Peterson
David Buskirk
Carol Pomorski, Mayor
James Miller, City Manager

CONTRACT AGREEMENT

This Agreement made effective this _____ day of _____, 20____, by and between the City of Ludington, hereinafter designated as the "EMPLOYER" and Local 586 of the Public employees Union S.E.I.U., AFL-CIO hereinafter referred to as the "UNION" under the provisions of Public Employees Relations Act 336, of the Public Acts of 1947, as amended.

WITNESSETH:
ARTICLE 1

It is the purpose and intent of the parties to this Agreement, that the results shall promote mutual cooperation and further the welfare of the City of Ludington and its employees; insure a spirit of confidence and cooperation between the employer and its agents and employees; establish uniform and equitable rates of pay and hours of work; provide for a disposition of grievances and to improve the efficiency of municipal services by striving for excellence.

DEFINITIONS

A. **Employee** - A person appointed and occupying a position in the City service within the bargaining unit.

B. **Full-Time Employee** - A represented employee appointed to a position which requires the services of an employee forty (40) hours per week for a continuous period exceeding ninety (90) calendar days.

C. **Part-Time Employee** - A represented employee appointed to a position which requires the services of an employee for twenty (20) hours per week for a continuous period exceeding ninety (90) calendar days.

D. **Permanent Employee** - A represented employee appointed to a position which will require the services of an employee, either part-time or full-time, for a continuous period exceeding one hundred eighty (180) calendar days.

E. **Temporary Employee** - A non-represented employee appointed to any seasonal position which will require the services of an employee between April 1st and October 30th. The position will be exempt from union security and responsibilities will include clean-up, general grass cutting, concrete work, special painting projects, including hydrants, sign posts, fences, curb crossings, parking lots and similar tasks and assisting all City Departments in accomplishing the extra seasonal work loads, working with and assisting union employees. Temporary seasonal employees shall be allowed to drive trucks (Up to 1 Ton) for the sole purpose of transporting hand tools, equipment, materials and personnel necessary for a job assignment. Temporary employees will not be allowed to operate heavy equipment or dump trucks. Seasonal employees can work overtime only if all other employees in the work area have had the opportunity or are also working. The City of Ludington will not utilize such Temporary Seasonal Employees when there are permanent employees laid off.

F. **Temporary Acting Supervisor** - An employee who has been designated by the employer to act in the capacity of a management person during short-term absence of; supervisor due to vacation, illness, etc. The position is temporary and would continue to accumulate seniority within the bargaining unit. Temporary Acting Supervisor will not initiate discipline against another bargaining unit member except for insubordination. Pay for Temporary Acting Supervisor shall be 75% of the difference between the supervisors pay and that of his designated replacement. If while Temporary Acting Supervisor, the employee is actually called into work, employee shall receive overtime wages based upon their regular hourly rate. An employee working in the capacity of an "Acting Supervisor" for three days, those three days being adjacent to a weekend, will not receive stand-by pay when covering for a weekend.

ARTICLE 2

The Employer recognizes the Union as the exclusive collective bargaining representative and agent with respect to rates of pay, wages or salaries, hours of work and other terms and conditions of employment for all permanent and part-time employees in Street, Parks, Water and Sewer distribution, Water Filtration, Sewage Disposal, Cemetery and excluding all Superintendents, Assistants, foreman, confidential employees, elected or appointed officials or heads of Departments established by the City Commission.

MANAGEMENT RIGHTS

ARTICLE 3

The Union recognizes the sole and exclusive prerogative of the employer to operate and manage its affairs in all respects in accordance with its public trust and interest and further recognizes that the powers and authority which the employer has not officially and specifically abridged, delegated or modified by this Agreement are retained by the Employer.

1. The Employer agrees that its employees shall have the right to self organization, to form, gain, or assist labor organization, to bargain collectively through representatives of their own choosing, and to engage in concerted activities for the purpose of collective bargaining or other mutual aid or protection.

UNION SECURITY

ARTICLE 4

All present employees and all new employees for whom the Union has been designated as the exclusive bargaining agent in Article II of the Agreement shall after the completion of ninety (90) calendar days of employment become members of the Union, or pay equivalent of Union dues as a condition of their employment, but will not be entitled to Union Representation until they have completed their six (6) month consecutive calendar months Probation Period.

1. For the purpose of the Agreement, the term dues shall mean all regular monthly dues, initiation fees, assessments, and fines.

2. If an employee is unable to obtain the necessary license for their position within a specified time period, the employee shall be terminated. Specified time period to be understood as the first testing opportunity after the employee is qualified to write the test.

DEDUCTION OF DUES

ARTICLE 5

The employer shall deduct from their wages and submit to the proper officers of the Union, the lawful dues billed by the Secretary-Treasurer of the Union. The dues shall be deducted from the first pay of each month.

1. The Union agrees to indemnify and hold harmless the employer for any loss or damages or claims arising from the operation of this section.

REPRESENTATIVES

ARTICLE 6

All employees who are covered by this Agreement shall be represented for the purpose of grievance procedure and negotiations by Stewards and a Bargaining Committee to be chosen by the Union. The Union shall provide the City Manager with an updated list of union officers within one week after the annual election of officers.

1. The maximum number of employees who shall be paid by the Employer for representative shall be as follows (a) a total of three (3) when meeting 8 AM to 4 PM, Monday through Friday, while conducting negotiations, (b) a total of two (2) while processing a grievance through Step 2 of the grievance procedure (c) a total of three (3) when meeting 8 AM to 4 PM, Monday through Friday, while processing a grievance from Step 3 through Step 5 inclusive of the grievance procedure. Compensation shall be at the employees' regular straight time rate of pay and shall end at the end of the employees regular scheduled working hours of any day of an assigned shift.

2. Executive officers of the International and/or Local Union and/or their representatives, duly authorized to represent the Union, will be permitted to participate in any discussions relative to hours, wages and working conditions at any time.

3. The unit bargaining committee shall be composed of the Chief Steward, two (2) elected or appointed members, together with the Union President.

4. Employees of each department or combination of departments 'as may be agreed upon by the employer and the Union shall be represented by a Steward, there shall be one Chief Steward.

GRIEVANCE PROCEDURE

ARTICLE 7

Step 1.

Within fifteen (15) working days after the date of an alleged occurrence of a grievance, the aggrieved employee or employees shall meet with the work area supervisor in an attempt to resolve the grievance at the lowest possible level. If not resolved at this meeting the employee or employees may deliver a written and signed statement of such grievance to the Steward. Grievances filed as a result of a violation of work rules shall be governed by the time limits under Article XXI, Section 3. The steward shall thereupon take the grievance up with the department supervisor and both the supervisor and steward shall use their best efforts to make a satisfactory settlement of the grievance. The Department Supervisor shall within three (3) working days deliver his written disposition of the matter to the steward involved.

Step 2.

If the matter is not resolved at Step 1 of this procedure, the Chief Steward may take the matter up within three (3) working days of the Unions receipt of supervisors disposition with the appointed representatives of the City (City Manager), who will attempt to settle such grievance. Each party shall have the right to bring witnesses. The City Manager or designee shall submit his written disposition to the Chief Steward within five (5) working days of such meeting.

Step 2 meeting shall be held during the last hour of the day shift except in emergencies.

Step 3.

In the event the matter is not resolved at Step 2 the Union may notify the Employees Labor Relations Committee within ten (10) working days of its receipt of the Step 2 disposition. The Labor Relations Committee and the Union Bargaining Committee shall meet within five (5) working days of the notification to the Labor Relations Committee. The Labor Relations Committee shall submit its disposition to the Union Bargaining Committee within three (3) working days of such meeting.

Step 4.

If the grievance is not adjusted by any of the above steps, the Union may within fourteen (14) working days after the receipt of the written answer from the Salary and Labor Relations Committee, give notice of its intent to submit the grievance to arbitration. Selection of an arbitrator will conform with Michigan Employment Relations Commission process for selecting an arbitrator. The arbitrator may determine the effective date for his disposition of a grievance, shall have full authority in any way the facts justify to alter or change discipline or discharge penalties imposed by management. The arbitrator shall have jurisdiction and authority only to interpret, apply and determine compliance with this agreement and shall not add to, subtract from, or alter in any way its provisions. The arbitrator's decision shall be final and binding on both parties. The fees and expenses of the arbitrator and the cost of place of such hearing as is selected for the hearing by mutual agreement of the parties, will be equally divided between the employer and the Union. The parties shall bear individually the costs of presenting their respective case in arbitration.

1. Mediation and fact finding through the State Employment Relation! Commission may be initiated prior to Step 4 of the grievance procedure and the time periods through the terminal point of the grievance extended; provided that all the time limits for notice are observed.

TIME LIMITS

Time limits may be extended by Management and the Union in writing; then the new date shall prevail.

1. Any grievance not advanced to the next step within the time limit within that step by the employee of the Union, shall be deemed abandoned and not subject to further appeal.
2. Any disposition of an appeal step which is not issued within the time limits specified, shall automatically move the grievance to the next step in the grievance procedure.

SENIORITY

ARTICLE 8

1. Each employee shall accumulate seniority rights in two categories, as follows:
 - (a) Job classification within the work area.
 - (b) City-wide seniority for the sole purpose of bidding on positions open in other departments if any opening occurs. Seniority cannot be accumulated in more than one job classification within a work area. The name of each employee by the department he performs his occupation or work in order of the length of his continuous service for the City. The City shall compile a list of all regular and part-time employees covered by the contract which list shall be called the seniority list. Fringe benefits shall be computed on City-wide seniority.

2. An employee will lose all accumulated seniority for the following reasons:

(a) If he quits.

(b) If he is discharged and the discharge is not rescinded through the grievance procedure.

(c) If employee is absent from work three (3) consecutive days, without giving notice, employee shall lose seniority as of the fourth (4th) consecutive day.

3. All members of the Bargaining Committee shall have the highest job classification and City-wide seniority. The steward of each department shall have the highest job classification seniority in his department unless a member of the Bargaining Committee also works in his job classification in which event he shall rank immediately behind the members or member of the Bargaining Committee. This section shall apply to layoffs only.

4. All new regular employees shall be considered on probation for a period of six (6) consecutive calendar months after date of hiring. Upon completion of said six (6) months, seniority shall be retroactive to date of hire. All scheduled time an employee is absent during probation period shall be added to the probation period. For the purpose of this clause, five (5) working days shall mean seven (7) calendar days. The Probationary Period can be extended upon mutual agreement by the City and the Union.

5. The grievance procedure may only be utilized by employees having attained seniority rights.

6. Seniority privileges shall be granted to only employees covered by the contract.

7. Employees who have been or who are promoted to a position rendering them ineligible for Union membership shall retain such seniority accumulated to time of transfer. There shall be no accumulation of seniority in positions outside the bargaining unit. All such employees shall have the right to return to the bargaining unit only by bidding on a posted job vacancy. However, an employee promoted out of the bargaining unit will be able to return to the bargaining unit with no loss of seniority during the first six (6) months probationary period.

LAYOFFS AND RECALLS

ARTICLE 9

1. Layoffs and recalls will be based first upon seniority with the departments and secondly upon city-wide seniority, provided senior employee possesses the present ability to do the work required, he may enter into any lateral or lower classification city-wide within five (5) days of layoff or displace any less senior employee within such classification.

2. All employees shall deliver to the City's appointed representative their address and change of address.

3. In notifying employees to report to work the employee will be notified by telephone or personal representative of the City, and not having been contacted, a registered letter will be mailed immediately to the employee's last known address or he will be notified by any other method requiring a return receipt. If the senior employee on the seniority list reports within the fifth (5th) day after being called, the employee junior to them who may have been called, will be sent home without further pay and the senior employee replace them.

4. There shall not be new employees hired until all employees qualified to work have been called back.

5. Employees laid off in their work area due to lack of work may be offered temporarily scheduled work in their work area on the basis of their work area seniority, provided they can perform the remaining temporarily scheduled work in their work area.

JOB OPENINGS AND TRANSFERS

ARTICLE 10

1. All job openings will be posted for a period of five (5) working days. Vacancies shall be filled and promotion made from within the work area in which they occur, based on seniority and ability. If the vacancy is not filled from within the work area, employees in other work areas shall have the right to bid on such position and the more senior qualified man applying for such position shall be given the opportunity to fill such position; providing the employer has the right to temporarily fill such position in the interim period.

Employees choosing to be transferred to another department, may be given an entrance exam by the Department Supervisor to determine whether or not the employee has the ability to obtain the necessary license for their new position. If the employee does not have a passing score of 60% or better, the employee will not be eligible for the transfer. The entrance exam will be the same test given to new employee's being considered for employment for those positions, if an exam is given.

2. Any employee filling vacancy, by transfer or promotion, may be given from fifteen (15) working days up to ninety (90) working days to prove his ability; if unable to qualify, he shall be returned to his former position at the positions rate of pay. In the event an employee is disqualified under the above provision, the employee and the Union shall be notified in writing, of the reason for such disqualification within two (2) working days of decision to disqualify. All employees so disqualified shall have the right to rebid the position, if an opening occurs after one (1) year from disqualification date.

3. Those employees promoted to jobs carrying a higher rate than that from which they were transferred shall receive the lowest rate called for in the new position of the rate received at the time of the transfer, whichever is greater, until he has completed the ninety (90) calendar day qualifying period. Upon the completion of the ninety (90) calendar day qualifying period, he shall receive the top rate called for in the new classification.

4. Any employee may refuse transfer or promotion without loss of seniority.

5. All employees temporarily transferred to a lower paying position shall suffer no loss of pay.

6. All employees temporarily transferred to a higher paying position shall receive the highest rate of pay called for in the highest classification for any hours worked.

(#7 Language was moved from Article 9 to Article 10.)

7. When being assigned work outside their normal work area, the employee with the most seniority will have the right of first refusal; however, if the most senior employees refuse, the lowest seniority employees will be assigned to another work area as required. When no overtime is expected, the City will have the right to assign any available employees for a period not to exceed thirty (30) working days or more if employee agrees.

CREW LEADER POSITIONS

- 1) The City of Ludington has the option of having three (3) working crew leaders.
- 2) The position shall be posted within the SEIU and if no one qualified applies, the City may hire from the outside.
- 3) The Crew Leader position will be filled on the basis of the following criteria;
Possible Testing/Exam (Written for the particular department.)
Interview
Qualifications
Experience
References
- 4) Any union employee who applies for the Crew Leader position will receive an interview.
- 5) The City of Ludington agrees to a six (6) month probationary period for working crew leaders. During this time, should the employee chosen to fill the position decides they no longer want to be a crew leader, the employee would then be transferred back to the position they held prior to the promotion at that position's regular rate of pay.

HOURS OF WORK

ARTICLE 11

1. The regular work week shall consist of five (5) eight (8) hour days for a total of forty (40) hours per week.
2. Time and one-half (1 1/2) shall be paid for all hours worked in excess of eight (8) hours in any one day or forty (40) hours in any one week.
3. Double time shall be paid on all hours worked on day of enumerated holidays and on Sunday, except when Sunday is part of the employee's regular five day work week.
4. Overtime work shall be equalized insofar as possible amongst those employees who normally perform the work on regular time. No employee shall be sent home during working hours of any shift to avoid overtime. An employee not having a working telephone at their residence will not be included on the overtime call-in list.
5. The normal schedule for work areas for Motor Pool, DPW, Parks, Cemetery, Utility Maintenance and Wastewater Treatment Plant areas is 8:00 AM to 4:00 PM with a fifteen (15) minute paid lunch to be taken at the work site where practical. Due to the 24-hour per day operation, the Water Plant will continue to have three 8-hour shifts and a maintenance shift. The building maintenance person for the Municipal Building has a 6 AM to 2 PM normal work schedule. The City agrees it will make every effort to maintain this schedule except when situations arise and make a deviation necessary. In such cases, the starting time may be adjusted to either forward or backward as the circumstances dictate and shall be the sole prerogative of the City to determine when such deviations are necessary.
6. Each water plant operator who does not normally work a day shift shall be scheduled for a two (2) week period per year on days for the purpose of standardizing procedures. The day shift operator shall trade shifts with the other operators to accomplish this.

7. For all units of the City engaged in seven (7) day operations, the time and one-half (1-1/2) shall be paid for all work performed on the first scheduled day off in any weekly period and double time for all hours worked on the seconded scheduled day off in any weekly pay period.

HOLIDAYS

ARTICLE 12

Holidays to be observed with pay are:

1. One half (1/2) day before New Year's Day
2. New Years Day
3. Good Friday
4. Memorial Day
5. Independence Day
6. Labor Day
7. Thanksgiving Day
8. Day After Thanksgiving
9. One half (1/2) day preceding Christmas Day
10. Christmas Day
11. One Annual Vacation Day
12. Employee's Birthday – Must be taken during the week in which the employee's birthday acutally falls or that holiday will be forfeited, unless written approval from the City Manager.

1. Holiday pay shall be eight (8) times regular hourly rate in addition to rate received for all hours worked.

Double-Time will be paid for hours worked on the "actual" holiday. When the holiday falls on a Saturday or Sunday and other weekdays are given off in observance of the holiday, hours worked on those days will be paid at time and one-half.

2. To be eligible for holiday pay, all employees must work his/her last scheduled day before and after the holiday, with an exception of approved vacation or sick leave.

3. One (1) additional vacation day after ten (10) years of service.
(Per Contract Year - Eligible June 1st.)

VACATION

ARTICLE 13

1. All employees with years of service shall be given a specified number of w working days (Vacation Days) with pay. Vacation Days earned annually and received in accordance with the employee's anniversary date.

New Hires – Shall receive five (5) days vacation after completion of 90 day probationary period. These five days to be used within the 1st year of employment.

One Year	=	5 Days
Two Years	=	10 Days
Five Years	=	15 Days
Fifteen Years	=	21 Days
Twenty-Five Years	=	23 Days

2. All regular part-time employees with one (1) year or more of service shall be given vacation pay computed at the rate of one-half (1/2) day for each month or portion thereof worked.

3. All employees shall have the right to take their vacation time off. If in any event, conflicts occur between employees, seniority shall be given preference consistent with the efficient operations of the City.

4. Vacations are not accumulative and must be taken during the calendar year following the one in which it was earned unless impossible because of work conditions. Vacation shall be considered as a matter of right and if canceled because of work necessity, shall be rescheduled or paid for at straight time as extra compensation for the period. An employee may carry up to five (5) vacation days into the next vacation year, provided however, that the employee uses the number of days carried over, within the first ninety (90) days of the succeeding vacation year. **After these 90 days, any of the unused carried over days will be forfeited unless written permission is received from the City Manager.**

5. All regular part-time employees who have been employed as such by the City and have accumulated seniority on the basis of actual time worked, shall come under as provided for by this Agreement and have full vacation with pay rights according to their acquired seniority.

6. The vacation year shall coincide with the employee's anniversary date of employment.

7. Employees shall have the right to receive vacation pay in advance of vacation, provided the employer has been notified two weeks in advance.

8. Vacation days shall be requested in writing, with an exception of emergencies of special circumstances with Supervisor's approval. Vacation schedule shall be posted on the employees' bulletin boards, and kept current.

9. In the event the interpretation of the contract as to computation of vacation pay becomes an item of the grievance procedure, the employer and the union will endeavor to resolve all problems of such computations in one proceeding under the grievance procedure with twenty (20) days notice given to all members of the union to present their specific objections before proceeding to Step 1.

10. Any employee who completes a contract year (June 1 through May 31) without loss time due to an accident or injury, work connected, shall receive in the following contract year, an extra paid vacation day to be used within said following seniority year.

BEREAVEMENT LEAVE

ARTICLE 14

1. Up to three days with pay shall be allowed an employee in case of death in his/her immediate family. The immediate family is defined as Mother, Father, Wife, Husband, Son, Daughter, Brother, Sister, Mother-in-law, Father-in-law, Brother-in-law, Sister-in-law, Grandparents, Spouse's Grandparents, Grandchildren, or **other legal dependent or step-children/sibling/parent/grandparents.** In defining the term "up to three days", it is declared intent that an employee not lose pay from his regular 40 hour work week. The three days are intended to be the funeral day and up to two (2) days preceding the funeral. Provided, however, that the day after the funeral may be taken if the employee is required to handle the personal affairs of the deceased. In case of death of Spouse, Parent or Child, up to two (2) additional working days with pay may be used provided that the employee is required to travel more than 300 miles in order to attend the funeral service. Employee MUST attend the funeral service. A copy of the Obituary Notice is required in order to receive Bereavement Leave Pay.

JURY LEAVE

ARTICLE 15

1. Employees on jury duty or subpoenaed as court witness shall be paid by the employer an amount equal to the difference between the amount of wages the employee would have earned by working straight time hours for the employer on that day and the daily jury duty fee paid by the courts, not including travel allowance or reimbursement of expenses, for each day on which he reports or performs jury duty, and on which he otherwise would have been scheduled to work for the employer and will not be charged against the employees annual leave or sick leave. Any employee released from jury duty shall not be required to return to work on day of release except when it is possible for the employee to work four (4) hours or more of his regular shift.

SICK / INJURY LEAVE

ARTICLE 16

1. All full-time employees and regular part-time employees shall be entitled to accumulate one-hundred fifty (150) working days of sick leave that shall accrue at the rate of one (1) day per month. In the case of illness or non-compensable injury, payment will be made on the basis of regular pay. A medical certificate may be required as evidence of the employees' illness or injury that prevented his/her attendance at work after the third consecutive day off. The City may require a certificate during the above noted three (3) day period by paying all the cost for said examination.

2. Any employee injured on the job so as to render him unfit for work in the opinion of a duly qualified physician, as designated by the City, shall be paid for loss of time when such loss of time is not compensated for by Workers Compensation Insurance at the rate of his/her regular rate of pay, provided such injury is compensable under the provisions of the Workers Compensation Insurance. At NO time shall their total payments (Workman's Compensation Insurance and City), exceed the employee's normal weekly gross pay, minus taxes.

Employees off work as a result of a work-related injury/illness shall receive a 40-Hour weekly paycheck from the City of Ludington, based upon their regular rate of pay, minus taxes, effective upon the first day of injury/illness. Should the employee be eligible for the State of Michigan Workmans Compensation Wage Loss Benefit, the employee shall continue to receive their regular weekly payroll check from the City of Ludington and the employee will sign over to the City, their Workmans Compensation checks which they receive from the City's Workmans Compensation Insurance Carrier.

After six (6) months, the City shall pay only ten percent (10%) of the difference between the Workmans Compensation benefit and the regular amount of the employees normal weekly paycheck, minus taxes.

After one (1) year, the City will pay (0%) zero percent of the difference and benefits will be limited to seniority. The employee, may at their own expense, continue to be carried on the City's medical and life insurance policies. Effective 06/01/93 for all new and reoccurring work-related injuries/illnesses.

3. Employees injury on the job shall retain and accumulate seniority without limitation. Employees otherwise injured or ill, will retain their seniority and accumulate up to one hundred fifty (150) days unless this time is extended by mutual consent of the City and the Union.

4. Any employee who, because of illness or injury, is unable to report for work must, unless circumstances prevent them from doing so, notify their supervisor within one (1) hour of starting time on the first three (3) days of absence, and if they are absent four (4) or more consecutive days, the employee must provide no later than the fourth consecutive day off, a doctor slip stating the employee is under a doctor's care including the estimated time-off of work. Employee shall also notify their supervisor one (1) day prior to returning to work and provide a doctor slip stating they are able to return to full duty. The City has the option of allowing an employee to return to work with restrictions. However, at no time is the employee guaranteed that restricted work will be available until such time as the employee's doctor releases him/her to full duty. If at any time restricted duty is no longer available, the employee shall be placed back on sick leave until released for full duty. Doctor slips to be provided at the employee's expense. If the employee so elects, after all sick leave is exhausted, he may utilize his/her earned unused vacation time as sick leave.

5. Employees using six (6) or less sick days during the contract year, June 1st through May 31st, shall be given one (1) Vacation Day to be used in the following contract year.

6. "Sick Leave " may be used by an employee during an emergency hospitalization of a spouse or child under the following condition:

written request to use sick leave will be made to the City Manager who will decide if the hospitalization is an emergency. An emergency will be defined as "life threatening".

Five (5) vacation days (if available) are first used for the same emergency hospitalization.

7. After four (4) separate instances of using sick days in one (1) contract year, the employee will be required to bring in a medical certificate as evidence of the employees illness or injury that prevented his/her attendance at work. The medical certificate to be provided at the "employee's" expense. Sick days covered by a doctor's slip (medical, dental, optical) will not be included nor counted as a seperate instance.

MILITARY LEAVE

ARTICLE 17

1. Any employee who is drafted or who enlists in the Army, Navy, Coast Guard, Marines, Air Force, or who is called to active duty in the National Guard or an Organized Reserve unit, will be granted such rights or reinstatement of his/her position as required by law.

UNPAID LEAVES OF ABSENCE

ARTICLE 18

1. Employees elected or appointed to Local 586 Union Office shall be eligible for unpaid leave of absence during tenure in office. Seniority of the Employee shall accumulate during such leaves of absence under the above condition.

2. An unpaid leave of absence may be granted for personal reasons for a period not to exceed thirty (30) days, upon application of the employee to and approval by employer. Such leave of absence shall be extended with proper employer approval and seniority shall accumulate during such leave. The City shall comply with the Family and Medical Leave Act of 1993, per Federal requirements only, effective August 5, 1993.

CALL- IN- TIME

ARTICLE 19

1. Any employee called out to work outside his regular working hours shall receive a minimum of two (2) hours pay. The maximum paid time between time of call and reported time shall be twenty-five (25) minutes.

2. Employees reporting for work at the start of their regular shift and no work being available shall receive not less than four (4) hours pay at their regular rate unless such employees are notified at least one (1) hour prior to their regular starting time.

3. Employees on standby shall receive two (2) hours pay at straight time for each day. Such two (2) hours shall be in addition to call in or hours worked. The employer will post a standby list for any department where standby is needed.

4. A roster of all regular employees who desire overtime work preference will be set up by classifications within the departments. Overtime work will be equalized to the fullest extent possible among those who normally perform the work. The department head, where practicable, will first exhaust such rosters before calling other employees for overtime work. An employee on such roster who is called for overtime and does not report, shall be charged with refused overtime equal to the highest number of hours worked on that job and shall have his name placed at the bottom of the list and called last for subsequent overtime. An up to date overtime list is to be made available to all employees for their inspection by posting where practical or by a satisfactory equivalent method.

SUPERVISION WORKING

ARTICLE 20

1. Supervisory employees may work in emergencies when regular employees are not available in instruction or training of employees and in the performance of necessary work when job difficulties are encountered so long as his work does not result in loss of regular or overtime work for any Union employee.

2. Supervisory personnel may perform nominal work outside of normal working hours, in the interest of protecting the public, provided such work does not exceed fifteen (15) minutes and does not require the use of tools (examples: replacement of loose manhole covers and catch basin covers; placement of barricades)

3. Employees acting as foreman shall not hold seniority over employees under this agreement.

GENERAL CONDITIONS

ARTICLE 21

1. Payday shall be Thursday of each week, except where Thursday falls on a holiday. In such cases payday will be on Wednesday. All employees shall be paid each week, with one week held back. All employees shall be paid at the end of their work shift on such payday. The City may, with ninety (90) days advance notice, change to a two-week pay period.

2. No steward or member of the Bargaining Committee shall be transferred to any job rendering such employee ineligible for Union membership during his term of office except by mutual agreement between the City and the Bargaining Committee.

3. The City reserves the right to issue reasonable working rules governing the conduct of employees, the violation of which may result in discharge or other disciplinary action. Such disciplinary actions imposed by the City upon any employee shall be subject to the grievance procedure in which reasonableness of the rules and the penalty may be questioned, and such grievance must be filed within two (2) working days after the disciplinary penalty is imposed. Discharge shall be only for just cause.

The union membership agrees to abide by all safety rules and regulations by its members while on the job and the City agrees to do its utmost in regard to safety and safety equipment.

4. New hires as a condition of employment must reside **within twenty (20) miles or less from the nearest boundary of the City of Ludington. (As per Senate Bill #198) New hires will be given six (6) months from the date of hire to meet the residency requirement.**

5. The City shall post a list of job classifications and their pay rates. All present jobs shall remain in the pay grades as now evaluated for the life of this contract. In the event there are new job classifications, the City and the Union shall attempt to fix the rate by comparison with the rates of other jobs in the City. If agreement on the rate cannot be reached, the rate shall be placed into effect but subject to the grievance procedure.

6. The hiring in rate for all new employees may be up to \$4.00 under the present rate for their classification; based on employee's qualifications (Education, training and past work experience). Employee shall receive a fifty cent (\$.50) increases until they receive the top rate of pay called for in his/her classification. This \$.50 increase is over and above the wage increases specified in Article XXV of the union contract.

7. The Employer shall furnish all employees of the unit with a printed copy of this contract as soon as possible (and to the printer not more than ninety (90) days from adoption). A copy shall be furnished to all new employees of the unit on date of hire.

8. All employees in the unit shall be considered to be working for the Municipal Services Department.

9. The Employer shall provide all safety equipment required by law at no cost to the employee, except for safety shoes.

10. The Employer will pay the cost of repair to eyeglasses broken in the line of duty, the employer to have the determination as to the place of repair.

11. Maternity leave shall be granted in accordance with the sick leave provision of this agreement and applicable law.

12. Employer agrees to form a labor-management committee, which would emphasize quality, workmanship, training, and other areas not normally covered by contract procedures.

13. The City agrees to a me-too provision for payment of a retirees medical insurance and payment for unused sick days. Future changes in these benefits for other municipal employees covered by M.E.R.S., excluding the City Manager and elected officials, would automatically pass on the benefits to the S.E.I.U. members.

14. The Safety Committee will be comprised of the City Manager or his designee, one supervisor and two bargaining unit members.

REST PERIODS

ARTICLE 22

1. An employee will be accorded two (2) paid rest periods of fifteen (15) minutes each on his scheduled shift which may be used as "coffee breaks", as governed by departmental regulations, provided the right of reasonable temporary relief at other times shall not be eliminated.

INSURANCE

ARTICLE 23

1. The City shall continue to subscribe to the present health insurance including semi-private. Effective with this contract all premiums for full-time employees on full family shall be paid by the Employer, unless the employee's spouse, who being employed, is provided with a policy of health insurance by his or her employer, equal or better in benefits, in which case the Employer herein shall not be required to cover the spouse and family.

2. Employer will provide insurance coverage equivalent to Blue Cross/Blue Shield Master Medical, option II, with a **\$10.00** Drug Rider and ML Rider. Blue Cross/Blue Shield shall remain the carrier unless all City employees are transferred to another carrier, and the carrier is the same for all City employees. The Union will be notified prior to any change and such change shall be discussed.
(Increased Co-Pay effective October 1, 2000.)

3. All employees of the City on the seniority list shall receive a certificate of Life Insurance upon such employee's life, in the sum of twenty-five thousand dollars (\$25,000), said insurance to be paid for by the City, beneficiaries to be determined by the employee. Such insurance shall be effective as to new employees after the Probationary Period.

4. Old age and survivors insurance as being maintained shall be continued.

5. The Employer shall permit retirees to pay their own health insurance premiums to the City and the City shall pay premiums to the health insurance carrier.

RETIREE'S INSURANCE CONTINUATION – (City of Ludington's payment towards premium.)

An employee who retires at 55 years of age or older the employee and his/her spouse shall be eligible for health insurance subject to the following:

1. Coverage begins on the date of retirement from the City and continues until the employee becomes eligible for Medicare or age 67, whichever comes first.

2. The City shall make monthly payments towards the cost of the retiree's insurance premium as follows:

	06/01 2000	06/01 2001	06/01 2002	
20 - 25 Years of Service	\$ 50	\$ 50	\$ 75	PER MONTH
25 - 30 Years of Service	\$100	\$100	\$125	
More than 30 Years of Service	\$125	\$125	\$150	

***Any employee who retires after June 1, 2000, will be eligible for the medical insurance payments as listed above.**

6. If employee's spouse, being employed, has medical coverage and the employee and/or family is covered under the spouse's insurance, the City will pay employee:

Single \$500.00 - Double \$1,000.00 - Family \$1,300.00 annually after January 1st. Employee must be off the City's insurance for one year, prior to receiving payment. Should employee choose to be removed from the City's insurance and later chooses to be placed back on the City's insurance, employee will be unable to receive medical benefits until the next eligibility date under Blue Cross/Blue Shield requirements. Employee must provide proof of insurance coverage.

7. The City shall provide Optical Insurance for the employee and his/her dependents (Blue Cross/Blue Shield VSP Plan) effective October 1, 2000.

RETIREMENT

ARTICLE 24

1. Employees shall not be forced into retirement except as allowed by the State and/or Federal statutes and/or laws. Employees reaching said retirement age shall set retirement date to either last day of the month in which he attains automatic retirement age or at the option of the employee, he may select a date within the calendar year in which he attains retirement age. The retiring employee will notify the City at least sixty (60) days in advance before his retirement date for the purpose of selecting an alternate retirement date. The advance notification may be waived in case of illness.

2. Consistent with not laying off regular employees who do not hold seniority, the City will endeavor to give such employees who have retired an opportunity to perform some part-time work when this is requested and feasible. His earnings not to exceed the amount allowable under Social Security.

3. The Employer shall pay the employees share of premiums for the State of Michigan B-3 Retirement Plan and maintaining the FAG-3, F-55 and E-2 Riders.

4. Upon retirement under MERS, employees with twenty (20) or more years of service will be compensated at the rate of one-half (1/2) of the value of the accumulated unused sick leave, up to a maximum of twelve-hundred (\$1200) dollars.

CLASSIFICATION AND WAGES

ARTICLE 25

Effective June 1, 2000, the Classifications for Union Members will be divided into "Licensed" and "Unlicensed" and "Crew Leader" positions and rate increases as follows:

	PRESENT	06/01/2000	06/01/2001	06/01/2002
<u>LICENSED</u>		(5%)	(5%)	(5%)
Plant Operator I	13.03	13.68	14.36	15.08
Plant Operator II	12.65	13.28	13.94	14.64
Plant Operator III	12.41	13.03	13.68	14.36
Chief Operator	13.53	14.21	14.92	15.67
Utility Maint. I	13.03	13.68	14.36	15.08
Utility Maint. II	12.45	13.07	13.72	14.41
<u>UNLICENSED</u>		(4%)	(4%)	(4%)
Exception-Water Plant Employee Warren Billings	13.03	13.55	14.09	14.65
Labor	11.54	12.00	12.48	12.98
Equipment Operator I	13.03	13.55	14.09	14.65
Equipment Operator II	12.45	12.95	13.46	14.00
Equipment Operator /Custodian	13.03	13.55	14.09	14.65
Custodian	12.45	12.95	13.46	14.00

(Mechanic Classification – Additional .05/Hour increase per year plus annual percentage increase.)

Electrician/Mechanic	13.42	14.01	14.62	15.26
Mechanic	13.23	13.81	14.41	15.04

CREW LEADERS (Working)

*Note: DPW & Utility Maint. Crew Leaders hourly rate will be increased to match the Motor Pool Crew Leader hourly rate of \$14.37 and annual increases set according to the Crew Leader Classification. (The previous rate for DPW & Utility Maint. was \$14.15/Hour.)

		(4.5%)	(4.5%)	(4.5%)
Crew Leader	14.37	15.02	15.70	16.41

2. License premiums are as follows: of **\$400** to be paid to employees having an A, B, FI or S1 license; license premium of **\$300** to be paid to employees having C, S2 or F2 license; license premium of **\$200** to be paid to employees having D, F3, F4, S3 or S4 license. Employees who hold licenses in more than one field shall be paid for both licenses provided they have worked in the area of both licenses in the previous twelve-month period. The City will request an employee to work in each area as the need arises but no less than annually. License premiums to be paid annually the first pay period in December. **Employees required by the City to have a Pesticides License shall receive a \$200 License premium.**

3. A shift premium of \$.30/hour will be paid to employees who work shifts other than their regularly scheduled shift when directed by management.

4. Employees have the right to refusal to climb the water tank, with the understanding that there are employees in the utility maintenance department that will climb the tank. Job descriptions in the future will include the requirement to climb the tank. Employees required to work on the water tank will receive three (3) hours minimum at time and one half for all work done on the catwalk or higher.

5. The City shall provide an annual shoe allowance of **\$125** per employee. Employees will be required to wear steel-toed safety shoes at all times. Shoes must be purchased within the City of Ludington within a six (6) month period from the date the purchase order is issued.

6. Initial CDL License Fees are the responsibility of the employee. Employee will be responsible for completing both the written and driving CDL tests as required by the State of Michigan. If an employee fails the test, he/she will be given the opportunity within ninety (90) days to take a second test and pass, prior to being re-classified to a "Laborer's" position. EMPLOYER SHALL PAY the full cost of the CDL License RENEWAL FEE, excluding medical/physical requirements for all employees required to have a CDL License for their position. (Employee shall provide a receipt and then Employer shall reimburse employee for the cost of the CDL License Renewal Fee.)

DISCIPLINE

ARTICLE 26

1. Under the labor agreement, the City reserves the right to issue reasonable work rules governing the conduct of the employees while engaged in City business, the violation of which may result in discharge or other disciplinary action. The purpose of these rules is not to impose a hardship, but to protect the rights of all and for the mutual benefit of City Employees and City Management.

The purpose of imposing disciplinary action, short of discharge, on an employee is to correct unsatisfactory behavior or work practices. In the event of disciplinary action or discharge the employee may contact a Union representative before he/she is required to leave the premises.

Disciplinary Action or measure shall follow the following format:

ALL written reprimand records shall remain in the employees personnel file, even though they may not be held against the employee in regard to disciplinary action in reference to the accumulation time limits stated in the contract. If a reprimand is "revised", the original shall remain in the employee's personnel file and the revised reprimand shall be stapled on top of the original.

Group 1 - Minor Offenses - 1st Offense, written and recorded warning; 2nd Offense, time off without pay up to one (1) week; 3rd Offense, suspension or discharge depending on the circumstances. Accumulation under Group 1 will not be for more than twelve (12) months.

Group 2 - Intermediate Offenses 1st Offense, Three (3) days suspension without pay; 2nd Offense, Seven (7) days suspension without pay; 3rd Offense, discharge. Violations under this group shall be accumulated for not more than eighteen (18) months.

Group 3 - Major Offenses This group of offenses shall be grounds for immediate discharge.

2. DRUG TESTING PROVISION - The City of Ludington reserves the right to require testing for alcohol and/or illegal drugs based upon a reasonable suspicion that the employee has used or injected such prohibited substances. An employee's failure of a drug test or an employee's refusal to submit to a drug test shall result in the disciplinary action up to and including discharge.

Drug testing to be given "on-the-job" only for reasonable suspicion that the employee is under the influence.

If a "Supervisor" has reasonable suspicion that an employee is under the influence while on-the-job, they will then contact the City Manager for his opinion, prior to having any testing done. If the City Manager is unavailable, the Supervisor will then contact another Supervisor for a second opinion, prior to any testing.

Drug testing shall consist of a "urine" test to be given at either the James Street Clinic or Memorial Medical Center..

All SEIU Union Members will be included in the random drug testing as set forth by the MDOT Standards and administered by a third-party, such as the Michigan Municipal League.

DURATION

ARTICLE 27

The effective date of this contract is June 1, 2000 through May 31, 2003

^a IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed this _____ day of _____, 2000.

City of Ludington
Salary and Labor Relations Committee

Brent Scott _____

Paul Peterson _____

David Buskirk _____

James H. Miller
City Manager _____

Gerry Pehrson Klaff
City Clerk _____

Local 586 S.E.I.U. Unit No. 1 Bargaining Committee

Richard Anes _____

Roy Harper _____

Leo Lindbloom _____

Kirk Caithamer _____

Terry VanEyck
Union President _____

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