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LABOR AGREEMENT

between

**COLDWATER BOARD OF
PUBLIC UTILITIES**

and

**UNITED STEELWORKERS
OF AMERICA
AFL-CIO-CLC**

Coldwater, City

on behalf of its
LOCAL UNION NO. 14178

Agreement Dated: November 11, 1992

Agreement Termination November 11, 1996

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AGREEMENT

THIS AGREEMENT, entered into this 11th day of November, 1992, by and between the Board of Public Utilities of the City of Coldwater, in the State of Michigan, hereinafter referred to as the Employer, and the United Steel Workers of America, AFL-CIO-CLC, hereinafter referred to as the Union.

WITNESSETH: That in consideration of the mutual and reciprocal promises of the parties hereto, the parties covenant and agree as follows:

ARTICLE 1 - RECOGNITION

Section 1: Unit Defined. The Employer recognizes the Union as the sole and exclusive collective bargaining agent for the purpose of collective bargaining in regard to wages, hours and other terms and conditions of employment for all employees of the Board of Public Utilities, excluding supervisory, clerical, secretarial and office employees.

Section 2: Union Membership. The Union agrees that it will from time to time promptly accept as members therein any and all persons who are not members of the Union and whom the Coldwater Board of Public Utilities employs to perform the different classifications of work covered by this Agreement. Employees of the Employer covered by this Collective Bargaining Agreement, who, at the date hereof, are members of the Union, shall continue to pay the monthly Union dues uniformly required of all members of the Local Union or pay a service fee established by the Union in accordance with the current court and Administrative decisions during the life of this Agreement. Employees covered by this Collective Bargaining Agreement hereafter employed shall, seven (7) days after the end of their probation period, pay the monthly Union dues or service fee, whichever they elect, as above provided, during the life of this Agreement. The Union will provide dues authorization cards to the Employer. These cards will then be given to all new hires. Upon receipt of the signed authorization card from the employee, and the employee having completed his probationary period, the Employer will deduct monthly the membership dues or service fee of the Union, said deduction shall be made out of the first applicable payroll period and immediately delivered or forwarded monthly to the International Secretary-Treasurer of the United Steelworkers of America, AFL-CIO-CLC at the address which he/she authorizes for this purpose.

Section 3: Union Dues Pre-Payment of Wages. Applicable deductions shall be made from the payment due to any employee who shall be on leave at the time of the specified dues deduction date of any month and who received a pre-payment of wages applicable to the absence. With respect to any wages paid in advance, Union membership charges applicable to the period for which advance wage payment is made shall be deducted at the time of the advance payment.

Section 4: Union Dues Deduction List. The Employer further agrees to forward a list of all bargaining unit employees showing new hires and terminations simultaneously with the transmittal of the aforementioned deductions. The Board agrees to furnish to the Financial Secretary of the Local Union a copy of the form sent to the International Secretary-Treasurer each month.

Section 5: Union Dues Changed. The Employer will continue to deduct dues at the rate currently in effect, until officially notified of a change as provided below.

Section 6: Union Dues Certification. The sole authorized representative of the Union, for the purpose of certifying the amount of any change in monthly dues to be deducted by the Employer, shall be the International Treasurer of the Union.

Section 7: Union Hold Harmless. The Union shall indemnify and save the Employer harmless against any and all claims, demands or other forms of liability that may arise out of or by reason of action taken or not taken by the Employer for the purpose of complying with any of the provisions of this Article.

ARTICLE 2 - GRIEVANCE PROCEDURE AND ARBITRATION

Section 1: Dispute Settlement. Should differences arise between the Employer and the Union regarding the meaning, interpretation or application of the terms and provisions of this Agreement, there shall be no suspension of work or slowdown by the employees on account of such differences nor any lockout by the Employer, but an earnest effort shall be made to settle such differences promptly by the following methods of procedure:

First Step: The aggrieved employee(s) shall make an appointment with his/her supervisor to discuss the matter. A Union Grievance Committee person may accompany the employee at his/her request.

Second Step: If the grievance is not satisfactorily disposed of in the first step, the aggrieved employee shall submit a written grievance, within seven (7) calendar days of the act or event which gave rise to the grievance, to the supervisor in the first step. The written grievance shall include, as a minimum, clear and concise statement of facts and specific article and section of this agreement involved. The grievance shall be dated and signed by the aggrieved employee(s).

Third Step: The Grievance Committee, designated by the Union and the aggrieved employee(s) shall meet with the Director of the Board of Public Utilities, or his designated representative, as soon as reasonable. The Director shall respond in writing within forty-eight (48) hours and deliver a copy to the Grievance Committee.

Fourth Step: If the Grievance Committee indicates in writing within 48 hours that the response of the Director, or his designated representative, is an unsatisfactory settlement of the matter; the International Representative of the Union, the Grievance Committee and the Director shall meet to reach a mutually satisfactory settlement. The parties shall attempt to settle the grievance within one (1) week of the written response of the Grievance Committee.

Fifth Step: In the event the Employer and the Union are unable to agree upon a settlement, they shall within ten (10) days jointly request the American Arbitration Association to submit a panel of five (5) arbitrators. The Employer shall strike two (2) and the Union shall strike two (2) and the remaining member shall then be designated as the impartial Arbitrator. The Arbitrator's decision shall be final and binding on both parties. Time limits as indicated in the above steps may be extended upon mutual agreement. Expenses and fees of the Arbitrator and the American Arbitration Association shall be shared equally by the Union and the Employer.

Section 2: Prohibited Concerted Activity. For and in consideration of the employee grievance set forth above, the Union agrees that during the life of this Agreement neither the Union, its agents nor its members will authorize, instigate, aid, condone or engage in a work stoppage, slowdown or strike or sympathy strike which interfere with the private business of individual Utility Board Members resulting from Union/Board issues. The Utility agrees that during the same period there will be no lockouts.

ARTICLE 3 - MANAGEMENT RIGHTS

Section 1: Management Rights. The Union recognizes that except as specifically limited or abrogated by the specific provision of this Agreement, all statutory and inherent managerial rights,

prerogatives, and functions are retained and vested exclusively in the Utility, including, but not limited to, the rights, in accordance with its sole and exclusive judgment and discretion:

- a) to reprimand, suspend, discharge, or otherwise discipline employees for cause;
- b) to determine the number of employees to be employed;
- c) to hire employees, determine their qualifications and assign, and direct their work;
- d) to promote, demote, transfer, lay off, and recall to work employees;
- e) to set the standards of productivity, and/or the services to be rendered;
- f) to determine the amount and forms of compensation for newly hired employees and existing employees consistent with this agreement.
- g) to maintain the efficiency of operations; to determine the personnel, methods, means, and facilities by which operations are conducted;
- h) to set the starting and quitting time and the number of hours and shifts to be worked;
- i) to use independent contractors or subcontractors to perform normal work or services as long as existing Board employees are not on lay off.
- j) to subcontract, contract out, close down, or relocate the Utilities operations or any part thereof;
- k) to expand, reduce, alter, combine, transfer, assign, or cease any job, department, operation or service; to control and regulate the use of machinery, facilities, equipment, and other property of the Utility;
- l) to introduce new or improved research, production, service, distribution, and maintenance methods, materials, machinery and equipment;
- m) to determine the number, location and operations of departments, divisions, and all other units of the Utility;
- n) to issue, amend and revise policies, rules, regulations and practices;

- o) and to take whatever action is either necessary or advisable to determine, manage and fulfill the mission and purpose of the Utility and to direct the Utility's employees.

Section 2: Non-Waiver of Rights. Failure to exercise any right, prerogative, or function hereby reserved to it, or management's exercise of any such right, prerogative, or function in a particular way, shall not be considered a waiver of the Utility's right to exercise such right, prerogative, or function or preclude it from exercising the same in some other way not in conflict with the express provisions of the Agreement.

ARTICLE 4 - SUBCONTRACTING RIGHTS

The Employer shall have the right to subcontract work normally performed by bargaining unit employees if and when, in its judgment, it does not have the available or sufficient manpower, proper equipment, capacity and ability to perform such work within the required amount of time, during emergencies or when such work cannot be performed by bargaining unit employees on an efficient and economical basis.

ARTICLE 5 - WORK BY SUPERVISORS

No supervisory employee excluded from the terms of this agreement shall perform the work of an employee or employees covered by this agreement, except for the purpose of instruction, in the case of emergency, to expedite the work when the employee lacks technical experience or if an employee is not readily available. However, reasonable effort shall be made to contact bargaining unit employees to perform such work. Such work by a supervisor shall not be performed solely to circumvent paying of overtime to bargaining unit employees.

ARTICLE 6 - ASSIGNABILITY

This Agreement shall be binding upon the successors and the assignees of the parties hereto, and no provisions, terms or obligations herein contained shall be affected, modified, altered or changed in any respect whatsoever by any change in the regular status, ownership or management of either party to this Agreement.

ARTICLE 7 - RETIREMENT PLAN

Effective January 1, 1993, the Employer shall provide, at no cost to eligible employees, a retirement plan - through the Michigan Municipal Employees Retirement System, Plan C-2, with a B-1 Base, FAC-3, for regular full time and regular part time employees.

ARTICLE 8 - VISITATION

Authorized Representatives of the International Union shall be permitted to visit the operations of the Employer during working hours to talk with Officers, Committeemen and Stewards of Local Union 14178, and/or Representatives of the Employer concerning matters covered by this Agreement upon reasonable prior notification.

ARTICLE 9 - BULLETIN BOARDS

The Employer will provide bulletin boards for each department and/or garage for the use of the Union. Such use shall be limited to material signed by the Union or its designated representative, concerning Union activities only.

ARTICLE 10 - MISCELLANEOUS

Section 1: Unpaid Union Business Leave. Local Union officers who request and receive prior approval to be absent from their work during scheduled working hours in order to conduct Union business shall not be paid for such absence, but such time not worked shall be allowed for the purpose of computing that employee's overtime pay, and for no other purpose.

Section 2: Paid Union Business Leave. The Employer will pay wages for employees while being engaged in negotiations or grievance procedures and safety committee meetings with the Board, only if scheduled to work during said negotiations or grievance meetings.

Section 3: Limitations. The Employer may limit the number of employees off on Union Business Leave, on occasion, where it is evident that the granting of such leave would cause the Employer hardship affecting departments or operations of the Utility to provide the basic services expected by customers of the Utility

services. The Employer and the Union shall try to work out reasonable accommodations whenever possible to attend to the needs of the Union and the operations of the Employer.

Section 4: Rules and Regulations. The Employer may adopt and change rules of conduct or personnel policies, as it may deem necessary and proper for the conduct of its business, as are not in conflict with the provisions of the Labor Agreement after discussion of such adoption or change with the Grievance Committee; with the understanding that the reasonableness of such rules or policies are an arbitrable question. It is agreed that such rules of conduct and regulations shall be enforced in a uniform and consistent manner. The Union shall have ten (10) calendar days to protest the reasonableness of any adopted or changed rule or policy from the date the rule or policy is effective upon the employees.

ARTICLE 11 - JOB VACANCIES

Section 1: Definitions of Employment Status.

- a) **Regular Full-Time** employment occurs when management determines it desires to fill a vacancy with an employee who, under normal circumstances, will be expected to work a full forty (40) hours per week, although this Employer does not guarantee forty (40) hours of work or pay per week.
- b) **Regular Part-Time** employment occurs when management determines it desires to fill a vacancy with an employee who, under normal circumstances, will be expected to work seventeen and one-half (17.5) hours per week but less than forty (40) hours per week, although this Employer does not guarantee seventeen and one-half hours of work or pay per week.
- c) **Seasonal employees** are those who normally work not more than six months during a year regardless of the number of hours they work per day or week.

Section 2: Training Period. Candidates applying for regular full-time positions who successfully meet entrance requirements shall be required to serve a training period of 960 actual hours of work. Likewise, regular-part time employees shall also serve a training period of 960 actual hours of work. The first date of employment shall be the employee's seniority date upon completion of the training period.

Section 3: Employee Status During Training Period. During any employee training period, said trainee may be discharged without cause and shall have no rights pursuant to this Agreement.

Section 4: Vacancies. When a new job is created or management determines a job vacancy exists the job vacancy shall be posted by department. Such posting shall be for any consecutive three (3) days prior to filling the job, excluding Saturday, Sundays and Holidays. Promotions will be made as vacancies occur or as new job openings are created, subject to the job requirements and the ability of employee applicant to meet those requirements, as determined by the Employer. However, the employee applicant in the department in which there is a vacancy or new job opening shall have preference before crossing departmental lines when certified or qualified. Employees may be considered for vacancies or new job openings where the pay rate range is the same or lower if in the Director's opinion it is in the best interest of both the employee and the Employer.

Section 5: Promotions to Management. Employees promoted from the bargaining unit to management positions shall have the option of returning to the bargaining unit without loss of seniority status, within thirty (30) calendar days after such promotion.

Section 6: Newly Created Jobs. The Employer agrees that when management creates a new job (a job which does not have a rate of pay established under the Labor Agreement), the assignment of the job shall be the rate of pay appropriate and consistent with rates of pay of other jobs covered under the Labor Agreement which have comparable level of skill requirements to that of the newly created job. If the rate of pay as established by the Employer is not agreeable to the Union, the Union shall notify the Employer in writing of its desire to negotiate the rate of pay for the job. Rates of pay for newly created jobs shall not be subject to the grievance procedure.

ARTICLE 12 - TERMINATION

Section 1: Notice. All employees who have completed their training period shall normally receive, and are expected to give, two (2) weeks advance written notice of termination of employment except, for causes beyond the control of the employee or the employee is terminated by the Employer for cause.

Section 2: Termination for Cause. Termination for cause shall mean the termination of employment of any employee for violation of and in accordance with the rules and regulations of the Employer as attached hereto, but not incorporated herein, or subsequently revised or promulgated.

Section 3: Loss of Seniority and Employment. An employee shall lose his/her seniority and employment upon:

- a) Resignation, retirement or termination for cause.

- b) Failure to return from lay off after seven (7) calendar days of receipt of notice of recall or ten (10) calendar days after notice was sent by the Utility to his/her last address on record with the Utility, unless excused by the Director.
- c) Failure to return upon expiration of any authorized leave of absence, unless excused by the Director.

Section 4: Lay off and Recall.

- a) Lay off shall be made in an order inverse to the employee's length of service in the individual work group involved (i.e. Power Plant, Service Department, Line Crew, Water/Sewer Crew, Wastewater Treatment Plant and others), provided the employee who would thus be retained is capable of satisfactorily performing the work as determined by the Employer.
- b) Employees to be recalled from lay off shall be recalled in reverse order of lay off.
- c) An employee on lay off is subject to recall for 12 months after original lay off notification.

ARTICLE 13 - SAFETY/HEALTH

Section 1. Safety Committee. The Board and the Union will cooperate in placing in effect, maintaining and enforcing safety rules and practices. A joint Management/Union Safety Committee shall be formed to aid the Board in addressing issues relating to safety as required by the Michigan Occupational Safety and Health Act (MIOSHA).

The Safety Committee shall meet as often as deemed necessary by Management, but not less than once per month, for the purpose of discussing safety problems, existing practices and rules relating to safety and health, consider suggested changes in existing practices and rules and make recommendations concerning adoption of new practices and rules. Management and the Union recognizes the special need to provide appropriate safety and health training to all employees. This training recognizes the different safety and health training needs for newly hired employees, for employees who are transferred and for employees who require periodic retraining. Newly hired employees shall be trained and instructed on all safety and health matters relating to the job and the responsibility of the employee to his/her fellow workers. The Union shall designate three (3) representatives from the bargaining unit; not more than one (1) per department, to serve on the Management/Union Safety Committee. Union representatives shall be paid while attending

such safety meetings held during normal working hours. Management shall provide the Union Safety Committee with minutes of the monthly meetings. The Union agrees that all bargaining unit employees must comply with all safety/health rules and regulations.

Section 2. Safety/Health Violation: Whenever an employee violates a published Federal, State or Governmental Agency safety or health statute, administrative rule or Employer safety/health rule or regulation that was provided or communicated to the employee, the Employer may take reasonable disciplinary action against the employee which may include **verbal** or **written** reprimand, suspension or discharge based upon the severity of the offense or number of prior offenses.

Verbal and written disciplinary actions, excluding suspensions, imposed by the Employer under this section shall be removed from an employee's personnel record one (1) year from the date of issuance.

Section 3. Safety/Health Disputes. No employee shall be required to perform any tasks that poses an immediate threat to the employees health or safety or is in violation of any Federal, State or Employer written safety rule, regulation or policy. Any employee who reasonably believes the task that he is being required to perform is in violation of a Federal, State or Employer rule, regulation or policy or poses an immediate threat to his health or safety shall have the right not to perform the task without first discussing it with his immediate supervisor. If the supervisor orders the employee to do the job and the employee still reasonably believes the task is unsafe he shall have the right to discuss the matter with the Chairman of the Grievance Committee or Union Safety representative of the affected department or other member of the Safety Committee and the Director or his designee. Thereafter, the employee may decide to perform the job. However, if the employee still refuses to do the job the employee will be suspended subject to discharge by the Director or his designee.

In the event the employee is suspended subject to discharge the employee shall have the right to file a written grievance protesting his suspension and any subsequent discipline associated with his refusal to perform the task, which grievance shall be filed in accordance with the **Second Step** of the grievance procedure.

Section 4. Clothes, Tools and Equipment. The Employer agrees that it will continue to furnish such rain gear, hard hats, high voltage rubber glove liners with outside leather gloves, etc., as were being furnished prior to the effective date of this agreement. In addition, during the term of this agreement, upon recommendation of the Management/Union Safety Committee, the Employer may extend such practices to new situations in which, in the Board's judgment, such is required. The employee shall wear uniforms and other

appropriate safety equipment and devices furnished by the Employer at all times while on the job. However during extremes in environment, the employees supervisor may permit deviation in the uniform requirement. Violation of this section shall subject the employee to disciplinary procedures as outlined in Section 2 of this Article. The employees agree to take reasonable care to protect the Employer's equipment and tools from damage or loss.

Section 5. Safety Glasses Allowance. The Board will pay up to \$50.00 toward the purchase of industrial safety glasses if purchased from a Board designated supplier. This service is limited to once every 24 months. All safety glasses shall meet all applicable MIOSHA industrial safety glass requirements.

Section 6. Commercial Drivers License Requirements. It is understood and agreed that certain employees are required to obtain and maintain proper CDL licenses necessary to operate the Employer's vehicles. Employees shall be required to obtain and maintain a valid Michigan drivers license at a level and of a nature, with all endorsements necessary to perform the requirements of their jobs. The Employer and the Union agree to comply with all requirements of State or Federal laws concerning application of such laws on the Employer or employees due to CDL licensing.

- a) Each driver of a vehicle with a GVW of 26,001 lbs., or a motor vehicle towing a vehicle with the GVW rating of more than 10,000 pounds shall be required to obtain and maintain a commercial drivers license (CDL). The Employer agrees to pay for the cost of the license and any endorsement it requires of any employee over and above the cost of a Michigan drivers license.
- b) The Employer shall pay for and provide employee physical examination as required by State and Federal law/regulations, fees charged by the State for necessary skills testing, all employee lost time which may be incurred in obtaining the CDL license and employee training, if required by the Employer. Physical examinations conducted by the Employer's doctor may be scheduled during off duty hours when examinations cannot be performed during "on duty" hours.
- c) Any employee with a CDL must notify the Director of every traffic conviction (except parking) within thirty (30) calendar days of said conviction.

ARTICLE 14 - ON-CALL DUTY

The Employer shall have the option of establishing the following on-call system and the rules related thereto whereby employees would be entitled to resolve utility-related problems. The Employer, as the need arises, may request modification of the on-call system and rules with the Union and by mutual agreement, make modifications. The Employer shall furnish a pager system which allows the employee(s) who are scheduled for on-call duty greater latitude of movement within the Employer's area of service. Employees who are scheduled for and perform on-call duty shall be paid eight dollars (\$8.00) for each day Monday through Friday and fifteen dollars (\$15.00) for Saturday, Sunday and Holidays on-call duty. Employees called out to work shall be guaranteed a minimum of two (2) hours at time and one-half pay at the employees applicable rate of pay Monday through Friday, and three (3) hours at time and one-half pay at the applicable rate Saturdays, Sundays and Holidays. The day shall be the calendar day.

- (a) Employees scheduled for on-call duty are required to be available and fit for duty as the need arises. However, employees may make arrangements with another qualified employee to assume his on-call duty, with approval of management, if it results in no increase in cost to the Employer and the employee notifies the Employer who he has obtained to substitute for him prior to the end of the Employer's regular business day or in case of an emergency he notifies the designated supervisor.
- (b) Employees scheduled for on-call duty need not remain at their place of abode, but must leave a telephone number and address with the dispatcher where they may be reached (even when they are carrying a pager) during the time they are on-call. Employees while on-call must remain in an area that is within the range of the pager and which will allow the employee to leave his reporting station within a reasonable time, normally 15 minutes after being called.
- (c) Employees scheduled for on-call duty will have their regular straight time wages adjusted based on 2080 hours to reflect the amount of extra compensation they would earn if they always worked their regular on-call turn. This additional compensation will be a clock-card add-on and it will be paid for all hours worked or paid, including overtime, holidays, vacations, pension and sick leave. If and when the number of employees performing on-call duty increases or decreases, the clock-card add-on will be adjusted as of the start of the first pay period thirty days after the increase or decrease occurs.

In the event an employee who is scheduled for on-call duty is absent and he has not made his own arrangements with another employee to take his on-call, management will assign the on-call to the next person scheduled for on-call.

ARTICLE 15 - OVERTIME

Section 1: Overtime Pay. Employees shall be paid time and one-half (1-1/2) for all hours worked in excess of eight (8) hours per day, recorded to the nearest 1/10 of an hour, and for all hours worked in excess of forty (40) hours per week. Employees eligible for holiday, vacation or sick pay who ordinarily would have been working during the regular work week, shall have those paid hours included in computing the forty (40) hours for that work week.

Section 2: Emergency Work. Employees may be called upon to perform emergency work and extra duty staffing levels as required and as determined by the Employer.

Section 3: Call-Back Work. Employees called to perform emergency work which results in the employee being called back to work before or after completing their regular work day, which work was not prearranged, shall be compensated at time and one-half (1-1/2) their regular straight time pay for the time actually worked or a minimum of two (2) hours pay at time and one-half (1-1/2), whichever is greater.

Section 4: Prearranged Work: "Prearranged" shall mean the scheduling of work outside of the normal work day and shall be arranged as far in advance as possible. Such work may be required before or after the normal work day as an extension of the workday. Prearranged work may also be at other off duty times.

Section 5: Overtime Rotation. The call-out of personnel for after hours duty can be rotated within the work group provided, mutual agreement is reached between the work group and the Department Supervisor. The Employer has no responsibility to equalize overtime within any department or work group.

ARTICLE 16 - RESIDENCY

The employee's residence shall be maintained within Branch County.

ARTICLE 17 - REPORTING PAY

An employee who reports for work at his/her regular starting time and who has not had at least eight (8) hours previous notice to not report, shall receive a minimum of four (4) hours straight time pay.

ARTICLE 18 - EMPLOYEE BENEFITS - GENERAL PROVISIONS

Section 1: Benefit Eligibility. Regular full-time employees and regular part-time employees (on a pro-rata basis) who have satisfactorily completed their training period shall be eligible for the following benefits:

- (1) **Workers Compensation** in accord with state law.
- (2) **Vacation** in accord with Article 20
- (3) **Sick Leave** in accord with Article 21
- (4) **Holidays** in accord with Article 22
- (5) **Life Insurance** in accord with Article 23
- (6) **Health Insurance** in accord with Article 24
- (7) **Retirement** in accord with Article 7 under the State of Michigan Administrated Municipal Employees Retirement System (M.E.R.S.)

The above benefits that are provided by contract such as health and life insurance and retirement are subject to any and all requirements or restrictions imposed by the insurance carrier or benefit provider. All of the above provided benefits are also subject to the terms and conditions of this Agreement and any and all state or federal requirements.

Section 2: Benefits While on Leave of Absence. Employees on a paid leave of absence shall be entitled to all of the above benefits in accord with the terms of this Agreement. Employees on an unpaid leave of absence of one calendar month or more shall not be entitled to nor earn any benefits unless authorized by the Director on a case by case basis without creating a precedent.

Section 3: Earning Benefits. Sick leave and vacation credit shall accrue to an employee while on a leave with pay status providing, said employee returns to duty.

Section 4: Workers Compensation Leave. An employee absent because of injury arising out of and in the course of his/her employment shall, upon return to duty, receive sick leave and vacation credit covering the period of time during which the employee received Workers Compensation.

Section 5: Payment of Advanced Benefits. In case of termination of any employee who has received sick leave or vacation pay in advance, such advance shall be repaid or deduction thereof shall be made from any pay due to the employee. This section shall not apply in cases of death, retirement, or reduction in work force, or in the case of any employee unable to return to duty because of disability, evidence of which shall be supported by a medical certificate.

ARTICLE 19 - INJURY IN LINE OF DUTY

Section 1: Reporting Accidents. The responsibility for reporting accidents or injuries incurred in the line of duty rests solely with the employee. The Employer shall provide forms for reporting such accidents or injuries. Such accident or injury must be reported within 24 hours of the event to assure coverage by Workers Compensation.

Section 2: Workers Compensation. Employees shall be covered by Workers Compensation as required by State Law.

Section 3: Workers Compensation Supplement. During the first seven days of a job related injury an employee is not eligible for workers compensation, however, after fourteen (14) days workers compensation converts back to the first day of injury. The Employer will make up the difference between the employee's regular straight time net take home pay and workers compensation payments made covering loses of wages for a job related injury during the first seven days, or 40 hours if not taken consecutively, including necessary appointments. Net take home pay shall be defined as the employee's normal straight time hourly earnings in his regular job classification minus federal, state and local taxes.

If an employee receives benefits for any of the first seven days they must endorse over their workers compensation check and thus reimburse the Employer for payments made in the first seven days.

After the first seven days the employee may use accumulated sick leave or vacation to make up the difference between workers compensation payments and his/her net take home pay.

ARTICLE 20 - VACATION

Section 1: Crediting Vacation. The accumulation of vacation leave shall begin the first day on which employment begins provided, the employee satisfactorily completes the training period. Such accumulation is at the rate indicated in Section 3 below. Earned vacation leave is credited to the employee weekly.

Section 2: Accumulation. Vacation credit accumulation is limited to a maximum of one and one-half (1-1/2) years of credit as of June 30 of each year. However, up to three (3) years accumulation may be permitted, or for greater periods, with the Director's approval, should working conditions prohibit an employee's absence from duty.

Section 3: Earning Vacation. Vacation credits accrue to employees according to the following schedule based on the employee's years of service:

<u>Years of Service</u>	<u>Hours of Vacation</u>	<u>Hours Earned Per Month</u>
1 thru 5	80	6.67
6	88	7.33
7	96	8.00
8	104	8.67
9	112	9.33
10	120	10.00
11	128	10.67
12	136	11.33
13	144	12.00
14	152	12.67
15 or more	160	13.33

An employee may request a vacation after completing one full year of employment. In computing vacation credits, fractions of (1/2) one-half hour or more shall be increased to one hour and fractions of less than (1/2) one-half shall be dropped.

Section 4: Vacation Approval. Requests for vacations are subject to approval by the employee's Supervisor and the Director. Vacation requests shall normally be for a period of a least two (2) working days but not more than ten (10) working days except when two (2) day vacations lead to scheduling problems which may cause overtime. Longer periods may be approved by the employee's Supervisor and the Director if work schedules permit. The Director and Supervisor may approve shorter part day or full day vacations.

Section 5: Vacation Requests. Vacation requests shall be scheduled as far in advance as possible but not more than twelve (12) months in advance with the employee's Supervisor. Upon approval by Supervisor, the Supervisor shall immediately record the vacation on an employer supplied schedule posted in their normal work location and record date of approval on vacation request form. An employee with higher seniority will have thirty (30) days from the date the original employee's vacation was approved by Supervisor and recorded on the schedule posted at work location to bump that employee for the same vacation period when the lesser seniority employee has applied for a vacation a minimum of sixty (60) days in advance of the vacation period. Any vacation applied for less than sixty (60) days in advance cannot bump an existing approved vacation.

Section 6: Vacation Limitations. Vacations shall be so arranged and granted that the number of employees absent from one department or working group at any one time will not be sufficient to injure the service rendered by that department or working group or require the payment of an excessive amount of overtime to those who replace the employee who is absent.

Section 7: Vacation Payoff. Accumulated vacation credit becomes immediately payable to the employee upon termination of his/her employment regardless of cause or reason for termination, provided the employee has completed (1) one full year of employment prior to termination.

Section 8: Vacation Extensions. Subject to mutual agreement and with approval of the Director, a vacation extension, with or without pay, may be granted on a case-by-case basis without creating a precedent.

ARTICLE 21 - SICK LEAVE

Section 1: Sick Leave Use. For loss of time because of sickness, or injury not incurred in the line of duty, employees, after six (6) months of continuous employment, shall receive full pay for such absence until his/her accrued sick leave credits have been depleted.

When sick leave credits have been depleted, absences from work shall require certification from an attending physician.

Section 2: Sick Leave Eligibility. It shall be the responsibility of the employee to call as far ahead of his/her assigned shift as possible, to inform management of such sickness or injury. Violation of this section shall subject the employee to loss of pay for that day and each day he/she fails to call or report for work.

Section 3: Sickness Accrual. Sick leave accrues to all employees at the rate of 80 hours per year and is credited to each employee weekly. Sick leave accrued credits become available for use by a new employee after six (6) months of continuous employment.

Section 4: Sick Leave Approval. Sick leave involving not more than three (3) consecutive working days, upon complying with Section 2 and certification by the employee's Supervisor will be allowed. Sick leave involving longer periods must be certified by an attending physician.

Section 5: Sick Leave Extensions. A sick leave of absence for longer periods than above, at full pay, reduced pay or without pay, may be granted by the Director for up to a six (6) month period. The Director may grant up to one six (6) month extension when he

agrees that circumstances so warrant. Partial sick leave days may be granted by the Director when he agrees that the employee is capable of working part of the time at his/her regular duties.

Section 6: Sick Leave for Family Use. Accrued sick leave may be taken, not to exceed one (1) normal work week, for each specific instance of serious illness in the employee's family, requiring his/her absence from duty, or in the event of a death in the employee's immediate family. Immediate family includes: spouse, children, parents, brothers, sisters, spouse's parents and/or other regular members of the employee's household, step children and employee's or spouse's grandparents.

Section 7: Sick Leave for Funeral Leave. Funeral leave, chargeable to the employee's sick leave accumulation, for other than members of the immediate family, may be granted by employee's supervisor and the Director for special circumstances when work schedules permit.

Section 8: Sick Leave Limitations. Except as modified above, no employee shall receive paid sick leave, except in the case of bona fide sickness or injury, and then only while employed in regular full time or regular part time service. Paid sick leave shall cease when the attending physician states employee is able to return to work.

Section 9: Sick Leave Charged. Sick leave shall be charged only for absence upon days for which the employee would otherwise work and receive pay.

Section 10: Sick Leave Accumulation. Unused sick benefit may be accumulated without limitation.

Section 11: Sick Leave Payoff. Upon termination of employment under honorable conditions, an employee shall receive one-half (1/2) of accumulated sick leave credits in pay. Such termination shall comply with Article 12.

Section 12: Sick Leave for Insurance. Upon retirement, pursuant to the retirement plan then in effect, an employee may use his/her accumulated sick leave credits towards the payment of his/her medical insurance premium between age 62 to 65, but not to exceed \$300 per month.

ARTICLE 22 - PAID HOLIDAYS

Section 1: Holidays Defined. The following holidays shall be observed as paid holidays:

New Years Day

Thanksgiving Day

Memorial Day
Independence Day
Labor Day
New Years Eve

Day following Thanksgiving Day
Christmas Day
Christmas Eve

Section 2: Holiday Eligibility. Holiday pay shall be at the employee's regular straight time hourly rate for eight (8) hours for a full day holiday provided, that the employee has actually worked a full assigned shift on his/her last regularly scheduled work day prior to the holiday and his/her first regularly scheduled work day following the holiday. Sick leave the day before or the day after the holiday, unless already on extended sick leave, shall not be allowed without certification by an attending physician.

Section 3: Leaves and Holiday Pay. If a holiday occurs while an employee is on sick leave or vacation the employee shall be paid for the holiday and no deduction from sick leave or vacation accrued credits shall be made.

Section 4: Work and Holiday Pay. An employee's work day shall be defined as the day upon which the employee is scheduled for and normally works the majority of hours within 24 consecutive hours. For example, if an employee is scheduled and normally reports for a regular eight (8) hours shift at 11:00 p.m. on Friday, that day shall be that employees Saturday. Therefore, if a holiday listed herein falls on a Saturday, (the calendar day) and the above described employee is scheduled for and normally reports for a regular eight (8) hours shift at 11:00 p.m. on Friday, the employee will be paid for eight (8) hours work at time and one-half (1-1/2) since the majority of hours of that shift falls on a holiday, in addition to his receiving eight (8) hours holiday pay, assuming the employee is eligible for holiday pay.

Section 5: Saturday/Sunday Holidays. Holidays that fall on a Saturday and/or Sunday:

- a) Employees normally scheduled to work Monday through Friday shall have Friday off as a paid holiday if the holiday falls on Saturday and shall have Monday off as a paid holiday if the holiday falls on Sunday EXCEPT when Christmas Day and New Years Day fall on Saturday or Sunday, in which event the employees shall work Monday through Thursday and celebrate the day before Christmas and the day before New Years Day on Friday and Christmas Day and New Years Day shall be celebrated on Monday.
- b) Employees who are scheduled to work on a Saturday or Sunday and a holiday falls on either or both such days that he is scheduled to work, he shall be paid time and one-half (1-1/2) for all the shift hours worked on such day, as spelled out in Section 4 above, and in addition receive eight (8) hours of holiday pay.

- c) If a swing operator is scheduled to work the 7:00 a.m. to 4:00 p.m. shift on a day when Monday through Friday maintenance personnel are off for holiday, the swing operator will have the choice of using a vacation day or working that day. Any vacation days scheduled will not be counted in computing any vacation minimum or maximum requirements as stated elsewhere in this agreement.

ARTICLE 23 - LIFE INSURANCE

Section 1: Type of Insurance. The Employer shall provide each employee group term life insurance.

Section 2: Policy Amount. Policy amounts are \$20,000.00 each for all bargaining unit employees, including fully paid accidental death and dismemberment provision.

Section 3: Benefit Payment. Death benefits are payable to the employee's beneficiary in a lump sum payment upon employee's death as provided for in the policy.

Section 4: Eligibility. A new employee shall be added to the group policy after one (1) month from first day of employment. Termination of insurance will occur on last day of employment. However, the employee may convert such insurance to an individual policy within thirty-one (31) days after employment termination, in accord with provisions of the policy.

Section 5: Final Pay. No special provisions are in effect governing termination of employment because of death. All final pay and accumulated benefits shall be promptly settled with the employee's family, the Employer deciding the final compensation, if other than normal, in each specific case.

ARTICLE 24 - HEALTH INSURANCE

Section 1: Coverage. Employees, spouses and dependent children as provided in the individual policy and elected by the employee shall be provided group hospital and major-medical insurance. Newly hired employees shall be added to such insurance policy on the first day of employment although effective day of coverage may vary with policy requirements.

Section 2: Premium Co-Pay. Employees agree to pay a portion of the Employer's cost for health care. This co-payment shall be fifteen percent (15%) of the Employer's cost on a weekly basis through payroll deduction. Effective October 1, 1993, the employee co-payment shall be increased to seventeen and one-half percent

(17.5%) of the Employer's cost of health care and increased to twenty percent (20%) effective July 1, 1995.

Section 3: Plan Change. A change in health plans may be proposed from time to time by the Employer. After conducting educational programs to employees each employee will vote with signed ballot to approve or disapprove such change. Changes can be proposed only once every calendar year. The majority vote of the Steelworkers bargaining unit and the Association unit, as an aggregate, will be required to change plans.

ARTICLE 25 - PAY ADMINISTRATION

Section 1: Pay Schedule. The Official pay plan consists of the attached schedule which establishes titles of classes of positions and hourly compensation.

Section 2: New Hire Rate. The normal starting pay rate for a newly hired employee, after completing the training period, shall be the minimum pay for the class of position.

However the Employer may authorize compensation above the minimum due to recruiting difficulties or for an employee with exceptional qualifications. Such authorization shall be at the sole discretion of the Employer.

Section 3: Performance Recognition. Pay rates are established in some jobs to provide a means of recognizing outstanding performance and reliability. Newly hired employees shall be evaluated and considered by their Supervisor for pay increases semi-annually until the maximum pay for their classification is reached. The above procedure will provide the newly hired employee with the maximum pay in his/her classification in three (3) years. However, pay increases shall not be awarded on an automatic basis, but shall be contingent upon satisfactory service. Management shall advise the employee and the Union in writing of the facts and the reasons the employee is denied a pay increase due to unsatisfactory service.

Section 4: Job Rate/Pay Change. In the case of promotion, the pay rate of the promoted employee shall be adjusted to that which is provided in the attached Appendix A as of the start of the pay period after the employee starts working in the higher paying job. In the case of transfer, the employee's rate shall remain unchanged. In the case of demotion, the rate of the demoted employee shall be reduced to that which is provided in the attached Appendix A as of the start of the pay period after the employee starts working in the lower paying job.

ARTICLE 26 - WORKWEEK

Section 1: Work Week Defined. For payroll and time keeping purposes the workweek will begin Sunday 11 p.m. to the following Sunday 11 p.m.

Section 2: Normal Work Week. The normal work week shall consist of five (5) work days per week. The basic workday is eight (8) consecutive hours of work in a twenty-four hour period, broken only by the established lunch period. However, nothing contained herein shall be construed to constitute a guarantee of eight (8) hours of work per day or forty (40) hours of work per week.

ARTICLE 27 - DURATION

Section 1: Term of Agreement. THIS AGREEMENT shall become effective on the 11th day of November, 1992 and shall remain in full force and effect to and including the 11th day of November, 1996, and shall continue in full force and effect from year to year thereafter unless either party to this Agreement desires to change or modify any of the terms or provisions of the Agreement. The party desiring to change or modify must notify the other party to this Agreement, in writing, not less than one hundred twenty (120) days prior to the expiration date of this Agreement, or not less than one hundred twenty (120) days prior to any subsequent anniversary date hereof. Should either party to this Agreement serve such notice upon the other party, a joint conference of the Employer and the Union shall commence not later than thirty (30) days prior to the expiration date in the year in which the notice is given.

Section 2: Union Economic Proposal. It is understood, however, that the Union will make every effort to submit any economic demands to the Employer no later than January 1st of the year in which it desires to change or modify this Agreement, to facilitate budgetary planning on the part of the Employer.

ARTICLE 28 - COST OF LIVING ADJUSTMENTS

All pay range steps shall be increased one cent (\$.01) for every one-half (1/2) point increase in the Revised Consumer Price Index for Urban Wage Earners and clerical Workers Revised Series (CPI-W) UNITED STATES - All items (1982-84=100) published by the Bureau of Labor Statistics, US Department of Labor. The Cost of Living adjustments, if any, shall be applied January 1st of each

year based on change of index from April to October. The above Cost of Living adjustments shall be frozen for the duration of this contract.

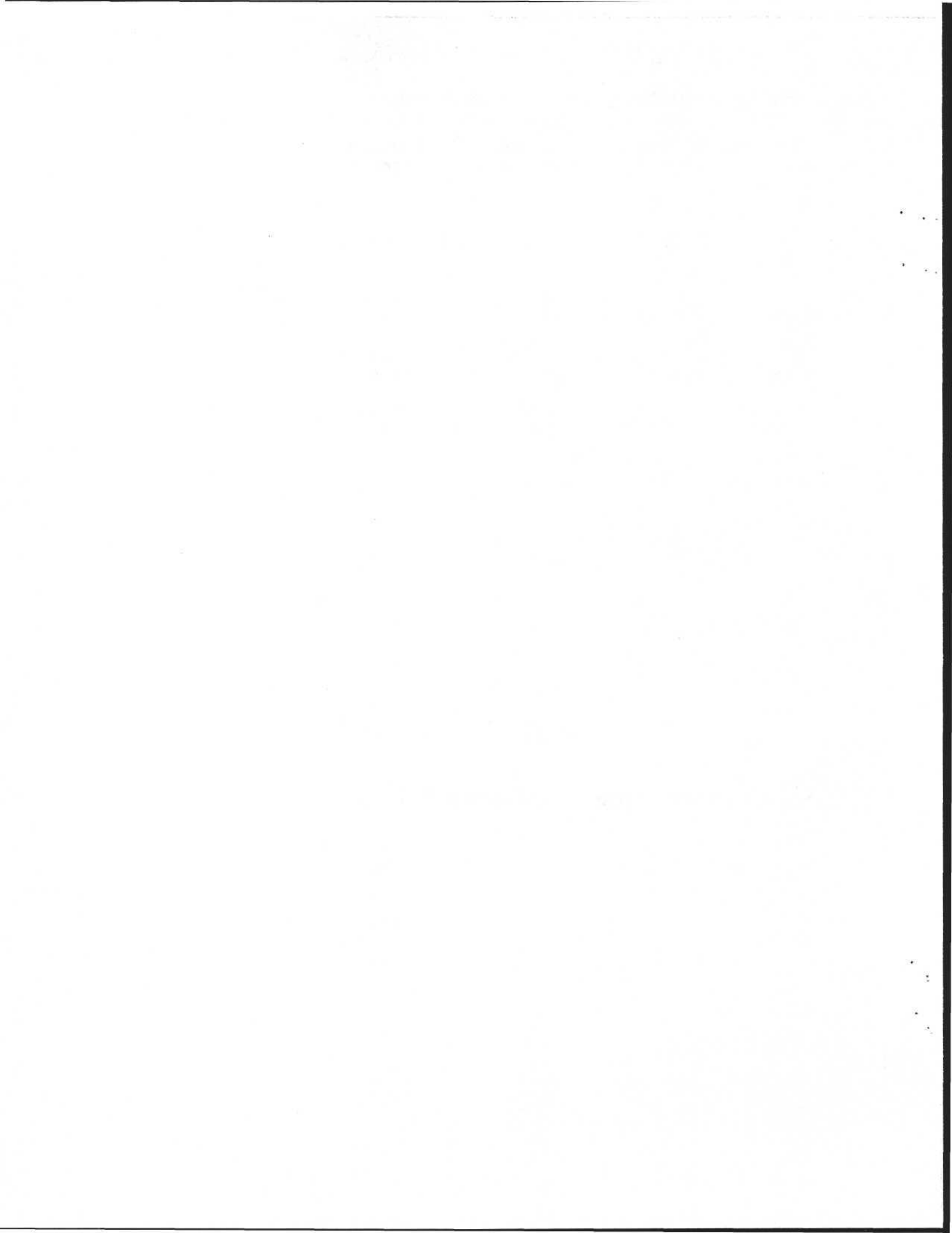
ARTICLE 29 - EFFECTIVE DATES FOR PAY INCREASES

First Year. Pay rates shall be as agreed to and attached hereto with the effective date of July 1, 1992.

Second Year. Pay rates shall be as agreed to and attached hereto with the effective date of July 1, 1993.

Third Year. Pay rates shall be as agreed to and attached hereto with the effective date of July 1, 1994.

Fourth Year. Pay rates shall be as agreed to and attached hereto with the effective date of July 1, 1995.

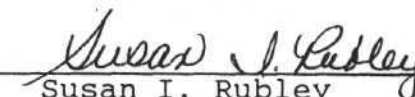


IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives as of the day and year first above written.

BOARD OF PUBLIC UTILITIES


E.H. Munn, Board President

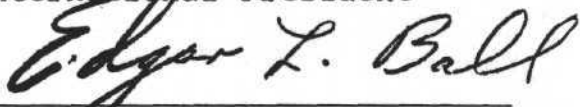

Dwight Woodman, Director

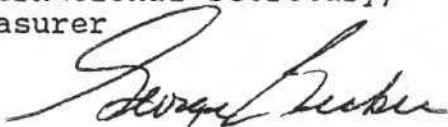

Susan I. Rubley
Utility Representative


UTILITY NEGOTIATOR:
Darrel D. Jacobs
Attorney at Law
The Jacobs Group
6950 East Kilgore Road
Kalamazoo, Michigan 49001
(616) 349-8651

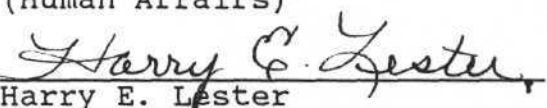
UNITED STEELWORKERS OF
AMERICA, AFL-CIO-CLC



Lynn R. Williams
International President

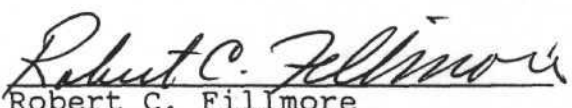

Edgar L. Ball
International Secretary/
Treasurer

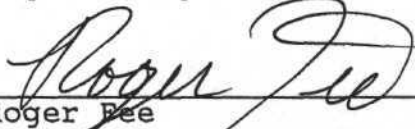

George F. Becker
International Vice President
(Administration)

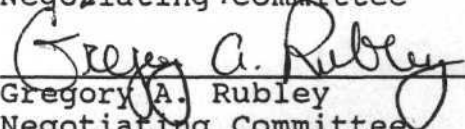

Leon Lynch
International Vice President
(Human Affairs)


Harry E. Lester
Director, District 29


Theodore J. Lesauskis
Representative


Robert C. Fillmore
Negotiating Committee


Roger Bee
Negotiating Committee


Gregory A. Rubley
Negotiating Committee

Wm. A. ...
John L. ...

**COLDWATER BOARD OF PUBLIC UTILITIES
APPENDIX A**

Classifications and Rates of Pay

Classification	July 1, 1992	July 1, 1993	July 1, 1994	July 1, 1995
Line Leader	15.81	16.60	17.43	18.13
P.P. Leader	14.50	14.94	15.54	16.16
W/S Leader	13.98	14.40	14.98	15.58
Chief Mech.	13.98	14.40	14.98	15.58
Turbin Opr S.B.	13.98	14.40	14.98	15.58
Swing- Turbin-S.B	13.86	14.28	14.85	15.44
P.P. Mech/Mt.	13.86	14.28	14.85	15.44
T.P.O. "B"	13.86	14.28	14.85	15.44
T.P.O. "C"	13.72	14.13	14.70	15.29
T.P.O. "D"	13.61	14.03	14.59	15.17
T.P.O. "O"	13.02	13.41	13.95	14.51
WSO A	10.50	10.80	11.23	11.68
WSO B	10.00	10.30	10.71	11.14
Utility Electrician	14.50	14.94	15.54	16.16
Mtr. Repair	13.36	13.76	14.31	14.88
Meter Person	14.35	14.78	15.37	15.98

Service Person	13.36	13.76	14.31	14.88
Mtr. Reader	7.50	7.70	8.00	8.32
Ground Person	11.00	11.33	11.78	12.25
Utility Worker	6.00 - 8.00	6.18 - 8.24	6.43 - 8.57	6.69 - 8.91
Appliance Repair	5.20 - 6.30	5.36 - 6.50	5.75 - 6.76	5.98 - 7.03
Laborer	5.00 - 6.10	5.15 - 6.28	5.36 - 6.53	5.57 - 6.79

LINEMAN PROGRESSION

	<u>Hours</u>							
	<u><1000</u>	<u>1000</u>	<u>2000</u>	<u>3000</u>	<u>4000</u>	<u>5000</u>	<u>6000</u>	<u>7000</u>
First Year	11.54	12.07	12.60	13.13	13.66	14.19	14.72	15.30
Second Year	12.11	12.67	13.23	13.76	14.34	14.90	15.45	16.07
Third Year	12.72	13.30	13.89	14.48	15.06	15.64	16.23	16.87
Fourth Year	13.22	13.55	14.45	15.06	15.66	16.27	16.88	17.54

RED CIRCLE RATE

Current employees whose hourly rates are greater than those listed above shall continue to receive their rates of pay with an annual pay increase of 3% the first and second year and 4% the third and fourth year until the employee bids or is assigned to a different job classification in which event the employee shall be paid the then rate for that job classification.

John Springhall	Move to serviceman level with present people
John Clark	Stay as red circled W/S Operator "B"
Mike Pierson	Completed 4000 hours of apprenticeship program on 7/28/92
Dave Howell	Began apprenticeship program 9/1/92 (have requested he be given credit for previous experience and schooling)
Brent Bruning	Probationary Employee Hired 8/24/92

RULES OF CONDUCT

COLDWATER BOARD OF PUBLIC UTILITIES

APPENDIX B

The following rules are attached to the Collective Bargaining Agreement for the purpose of informing employees of the Utility's rules. These rules were adopted by the Utility and added as an appendix to the Collective Bargaining Agreement as provided in the contract.

Section 1: For the violation of any of the following rules, an employee shall be subject to discharge or suspension without pay for a period of up to two (2) weeks at the discretion of the Utility or its representatives.

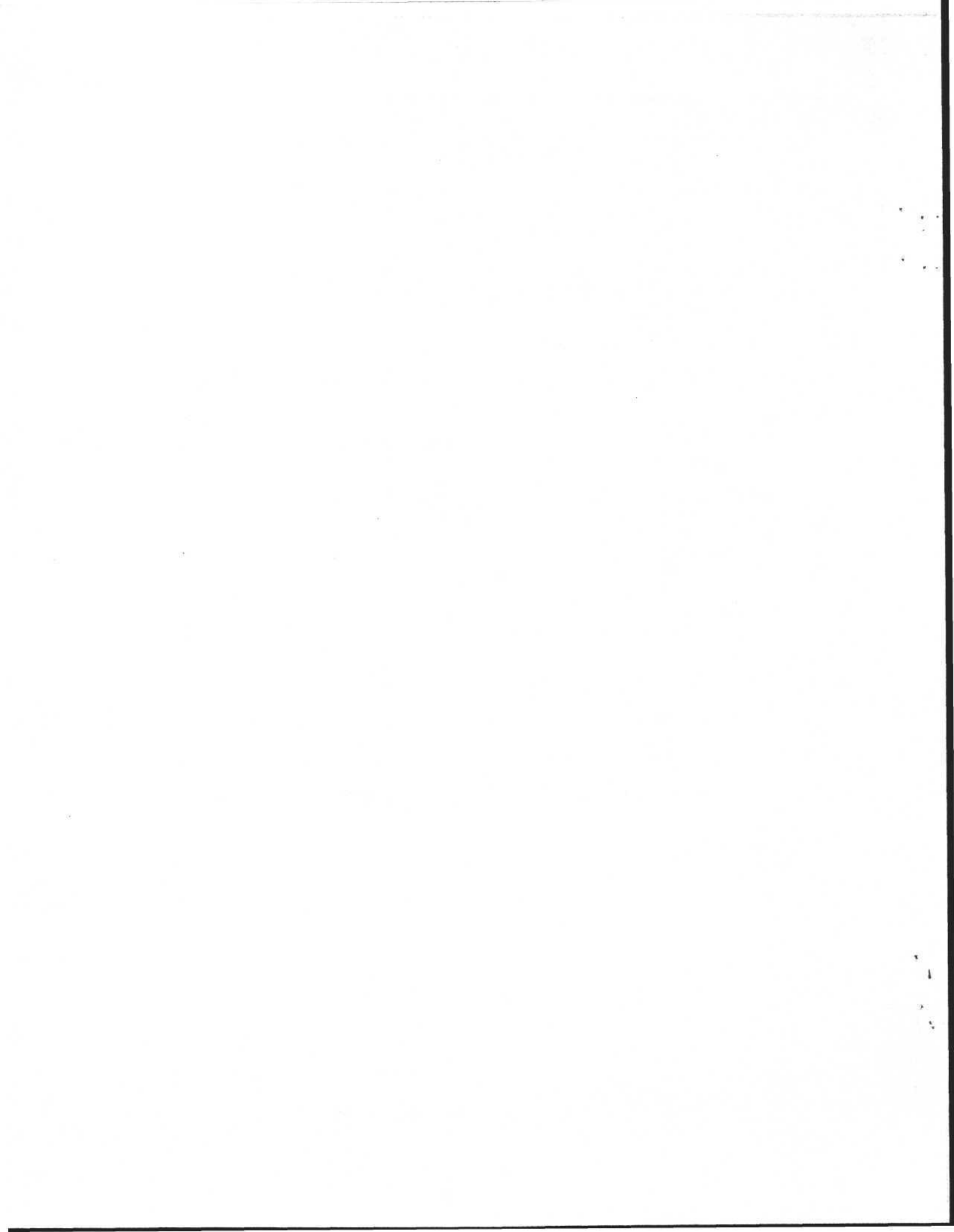
- (1) Gross neglect of duty or refusal to comply with Utility's instructions, unless such instructions are injurious to employee's safety or health.
- (2) Gross insubordination.
- (3) Immoral, indecent or dishonest conduct.
- (4) Intentional falsification of Utility records.
- (5) Knowingly marking the time card of another, having one's time card marked by another or unauthorized altering of a time card.
- (6) Theft or intentional destruction of Utility's or another employee's property or removal of any property from Utility's premises without authorization from the Utility.
- (7) Sleeping on the job.
- (8) Drinking, using or possessing any controlled substances and/or alcoholic beverage on Utility's time, premises or equipment, or reporting for work with illegal drugs, alcohol or a controlled substance in the employee's system without a valid prescription by a medical doctor for the use of such controlled substance by the employee.
- (9) Unauthorized use of Utility's trucks and/or equipment.
- (10) Deliberate or reckless conduct endangering the safety of himself or others.
- (11) Deliberate concealment of any vehicle accident.
- (12) Major chargeable accident after full investigation.

- (13) Profane, abusive, threatening or coercive treatment of members of the public.
- (14) Absence from work for two (2) consecutive regularly scheduled working days without an excuse acceptable to the Management.
- (15) Possession of a firearm, weapon or explosive while on duty or on Utility's property without authorization.
- (16) Leaving work assignment without authorization or without an excuse acceptable to Management.
- (17) Fighting on the Utility's time or premises.
- (18) Violation of a safety rule or safety practice resulting in an injury to himself or another person.
- (19) ANY OFFENSE OF EQUAL MAGNITUDE TO THE ABOVE.

Section 2: For the commission of any of the following offenses, an employee shall first receive a written warning notice. In the event an employee commits the same offense a second time within a twelve (12) month period, he shall be given a disciplinary lay off without pay for a period of up to three (3) days. If an employee receives three (3) written warning notices (for the same or different offenses as contained in Section 1 and/or Section 2 hereof,) within a twelve (12) month period, he shall be subject to discharge.

- (1) Late to work without an excuse acceptable to Management.
- (2) Carelessness which necessitates the scrapping or repairing of Utility's equipment or property or someone else's property.
- (3) Inattentiveness to work, failing to start work at the designated time, quitting work before proper time, or leaving the job during working hours without permission of the District Superintendent.
- (4) Smoking in unauthorized areas.
- (5) Use or possession of unauthorized literature, materials, or devices on the Utility's time or premises.
- (6) Violation of a safety rule or safety practice or unsafe use of equipment.
- (7) Failure to report for work without giving the Utility advance notice, unless it was impossible to give such advance notice.

- (8) Creating or contributing to poor housekeeping in and around buildings or equipment.
- (9) Vending, soliciting or collecting contributions on the Utility's time or premises without authorization from the Utility Management.
- (10) Posting, removing or defacing any matter on the Utility's bulletin board or property without authorization from Management.
- (11) Permitting any person who is not an employee to enter or ride in a Utility vehicle without authorization of Management, except in a dire physical emergency.
- (12) Failure to attend meetings called during working hours by the Utility without an excuse acceptable to the Engineer-Manager.
- (13) Failure to properly report malfunctioning items or repairs needed on the Utility's equipment.
- (14) Consistently unavailable to accept or respond to emergency calls.
- (15) Failure of an employee to perform the work in his classification, reasonably within his capabilities, which is assigned to him.
- (16) Failure to follow instructions.
- (17) Distributing or circulating literature, petitions or any written or printed matter of any description on the Employer's time without permission from the Employer.
- (18) ANY OTHER OFFENSE OF EQUAL MAGNITUDE TO THE ABOVE.



LETTER OF AGREEMENT

It is understood and agreed by and between COLDWATER BOARD OF PUBLIC UTILITIES and LOCAL UNION 14178 of the UNITED STEELWORKERS OF AMERICA, AFL-CIO-CLC, for and in consideration of the mutual promises contained in the 1992-1996 Collective Bargaining Agreement, the following provision shall be retroactive to July 1, 1992:

Employees hired into the lineman classification after July 1, 1992, as apprentice lineman shall have their apprenticeship tuition paid by the Utility along with their hourly rate of pay while attending apprenticeship classes for and in consideration of the employee working for the Utility for five (5) calendar years after completion of their apprenticeship training. In the event an employee leaves the employment of the Utility for other employment any time prior to completing the five (5) year work requirement referred to above, the employee shall be required to reimburse the Utility twenty percent (20%) of the total cost for his apprentice training for each year that the employee does not complete said five (5) year work requirement.

Dated this 11th day of November, 1992.

BOARD OF PUBLIC UTILITIES

LOCAL UNION 14178,
U.S.W.A.

DIRECTOR

PRESIDENT

