

AGREEMENT

between

CITY OF NOVI

and

LOCAL UNION NO. 214

INTERNATIONAL BROTHERHOOD OF TEAMSTERS,

CHAUFFEURS, WAREHOUSEMEN AND HELPERS

OF AMERICA

Effective 7/1/05 - 6/30/09

INDEX

ARTICLE 1	RECOGNITION	1
ARTICLE 2	UNION SECURITY AND CHECK-OFF	1
ARTICLE 3	CLASSIFICATIONS.....	2
ARTICLE 4	PROBATION.....	3
ARTICLE 5	SUBCONTRACTING	3
ARTICLE 6	SENIORITY	4
ARTICLE 7	DISCIPLINARY LAYOFF AND DISCHARGES	6
ARTICLE 8	GRIEVANCE PROCEDURE.....	6
ARTICLE 9	STEWARDS.....	8
ARTICLE 10	ABSENCE	9
ARTICLE 11	LIMITATION OF AUTHORITY AND LIABILITY	10
ARTICLE 12	MANAGEMENT RIGHTS	11
ARTICLE 13	DISCRIMINATION	12
ARTICLE 14	GENERAL.....	12
ARTICLE 15	VACANCIES AND PROMOTIONS.....	14
ARTICLE 16	EQUIPMENT ACCIDENTS AND REPORTS.....	15
ARTICLE 17	SEPARABILITY AND SAVINGS CLAUSE.....	15
ARTICLE 18	SAFETY COMMITTEE.....	16
ARTICLE 19	COURT AND FUNERAL LEAVE.....	16
ARTICLE 20	WORKERS' COMPENSATION	16
ARTICLE 21	INSURANCE.....	17
ARTICLE 22	RETIREMENT	19
ARTICLE 23	HOLIDAYS	21
ARTICLE 24	SICK LEAVE	21
ARTICLE 25	VACATIONS	23
ARTICLE 26	LONGEVITY PAY	23
ARTICLE 27	OVERTIME AND HOURS OF WORK	24
ARTICLE 28	SAVINGS CLAUSE.....	26
ARTICLE 29	WAIVER CLAUSE.....	26
ARTICLE 30	MAINTENANCE OF CONDITIONS.....	26
ARTICLE 31	TERMINATION OF AGREEMENT.....	26

THIS AGREEMENT, made and entered into this _____ day of _____ AD, 2006 by and between the City of Novi, Employer, located at Novi, Michigan, party of the first part, hereinafter "City", and Local Union No. 214, affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, located at 2801 Trumbull Avenue, Detroit, Michigan, party of the second part, hereinafter "Union".

WHEREAS: Both parties are desirous of preventing strikes and lockouts and other cessation of work and employment; and of maintaining a uniform wage scale, working conditions and hours of employees of the Employer; and facilitating peaceful adjustment of all grievances which may arise from time to time between the Employer and his employees; and of promoting and improving peaceful and harmonious working and economic relations between the parties.

WITNESSETH:

1. RECOGNITION

Pursuant to and in accordance with all applicable provisions of Act 336 of the Public Acts of 1947, the City recognizes the Teamsters Local Union No. 214 as the exclusive representative of the employees of the City of Novi for purposes of collective bargaining with respect to rates of pay, wages, hours of employment and other terms and conditions of employment, in the following bargaining unit for which it has been certified.

*Unit I - All non-supervisory employees, but excluding confidential employees and supervisors.

2. UNION SECURITY AND CHECK-OFF

Section 1. Membership in the Union is not compulsory pursuant to Public Act No. 25, June 14, 1973, as said Public Act No. 25 amended Act No. 336 of the Public Acts of 1947. The City agrees to deduct dues of the Union upon signed authorization of any member of the bargaining unit. The aggregate deduction of all employees shall be remitted together with an itemized statement, to the Treasurer of the Union by the 15th of the succeeding month after such deductions are made. Deduction authorization may be revoked upon sixty days notice. The City shall not be liable to the Association or to the employees by reason of any error or neglect involving the improper deduction of or failure to deduct Union dues in accordance with this contract and the Union agrees to hold the City harmless from all liability to which the City may be put by reason of its voluntary agreement to deduct membership dues.

Section 2. Any employee in the certified bargaining unit who is not a Union member and who does not make application for membership shall, as a condition of employment, pay to the Union a monthly service charge in an amount equal to the monthly dues

uniformly applied to the members as a contribution toward the administration of this Agreement.

3. CLASSIFICATIONS

Section 1. The Union shall have a right to request that a position be upgraded by submitting a request to the Human Resource Department. Human Resources shall evaluate the Union's request and respond to it within ninety (90) days after submission. The decision of Human Resources shall be final and not subject to the grievance procedure. The City shall also have the right to upgrade a position when deemed necessary or appropriate. The Union shall be notified of all upgraded positions prior to implementation. Incumbents shall be upgraded to the position without posting the position as a vacancy.

Section 2. Effective immediately, all new full-time employees shall be hired in at the appropriate range and receive the starting salary for the appropriate classification and range. After six (6) months of continuous employment the new employee shall be advanced to the six (6) month rate. After twelve (12) months of continuous employment the new employee shall advance to the one (1) year rate.

Section 3. In those instances that do not interfere with the working conditions of the existing bargaining unit, the Union recognizes the right of the City to employ seasonal and part-time employees.

- A. Seasonal employees shall be employees hired to perform that work which is of a seasonal nature.
- B. Part-time employees is defined as an employee of the City who is employed for less than 25 hours a week. Part-time employees shall be used only when necessary.

Section 4. Seasonal and part-time employees shall not be used to undermine the bargaining unit or the Union. Seasonal, part-time and co-op employees will not be utilized in any department with an existing full-time employee and member of the bargaining unit on lay-off.

Section 5. The Union acknowledges the Classification Plan of the City of Novi, as adopted by the City Council. As the City needs require, the City shall make necessary changes in the Classification structure.

Section 6. The following positions shall be considered to be continuous classifications: Customer Service Rep, Account Clerk, Planning Assistant, Payroll Coordinator, Laborer, Water & Sewer Worker, Mechanic, Residential Appraiser, and Code Compliance Officer. Placement and advancement to the various steps and ranges of these positions

shall be subject to and governed by the following rules:

- A. All new hires shall be placed in the lowest step in the position range.
- B. Any existing employee who is promoted to one of these positions shall be placed in the step which is the next highest from their existing salary. There will be no increase less than 10 cents per hour.
- C. Movement to the next step within these positions will be based on seniority and merit as follows:
 - 1. The employee must possess a minimum of two (2) years seniority in their present classification.
 - 2. The employee must have received a minimum average of 80% on the employee evaluations conducted during this two year period. If no evaluation has been completed, the employee's performance will be considered satisfactory for classification purposes only.
- D. Seniority earned in a parallel or higher classification shall be credited toward an employee's placement in the salary schedule of a continuous classification of a lower position, assuming that the duties of the two positions are similar in nature and that the employee possesses the necessary experience and qualifications to perform the duties of the new position.

4. PROBATION

Section 1. The City shall grant new employees seniority after working six (6) continuous months. In the event that two or more employees have the same date of hire, then seniority shall be determined among such employees by the date of application for employment, the one with the earliest date of application having the greatest seniority.

Section 2. Those employees who become part of the bargaining unit, shall commence payment of Union dues and initiation fees or a service charge after ninety (90) days of continuous employment with the City. The Union upon written request of the employee agrees to refund dues or service charges if the employee is terminated by the City of Novi during the probationary period.

5. SUBCONTRACTING

The right of contracting or subcontracting is vested in the City of Novi. The right to contract or subcontract shall not be used for the purpose or intention of undermining the Union.

6. SENIORITY

Section 1. An employee who desires to terminate his employment with the City shall give reasonable written notice and may request a letter of recommendation.

Section 2. An employee shall lose his/her seniority for the following reasons only:

- A. An employee quits.
- B. An employee is discharged for just cause.
- C. An employee is absent for two (2) consecutive working days without notifying his supervisor. After such absence, the City will send written notification by certified mail to the employee at his last known address that he/she has lost seniority and his/her employment has been terminated. If the disposition made of any case is not satisfactory, the matter may be referred to the grievance procedure. If an employee is absent for two (2) consecutive working days and cannot notify their supervisor due to an emergency condition, they must contact the supervisor within one day of having the ability to do so.
- D. If he/she does not return to work from sick leave and leaves of absence within two (2) days of the end of the leave.
- E. For participation in any unauthorized strike, slowdown, speedup, walkout or other interruptions of normal operations of the City of Novi.

Section 3. An employee who at any time returns from leave granted by the City shall be entitled to return to his/her former position with no loss of seniority; however, he/she shall accrue no seniority during the period of his/her absence, unless such leave is for union or city related business.

Section 4. An employee who is promoted from the non-supervisory bargaining unit to a position in the supervisory bargaining unit with the City shall have classification seniority. All members shall lose their bargaining unit seniority after twelve (12) months for purposes of layoff. In the event the member is returned to the bargaining unit, the time off as a non-member will not be added to his/her member seniority. A member must obtain a withdraw card from the union in order to maintain his/her bargaining unit seniority with the union.

Section 5. Layoffs and Recall: The word "layoff" means a reduction in the working force. If a layoff becomes necessary, the following procedure will be mandatory:

Layoff shall be made within the effected classification(s) in the effected department(s). Such reduction will be made in the first instance by terminating temporary employees, then probationary employees within the effected classification(s) in the effected department(s). If a further reduction in the work force is required, such reduction in the

case of seniority employees will be made in inverse order of seniority within the effected classification(s) in the effected department(s).

When an employee is laid off for an indefinite period of time or the initial layoff extends beyond the period of five (5) working days, due to a reduction in the work force, he/she shall be permitted to exercise his/her seniority right to bump or replace an employee with less seniority. The layoff and bumping procedure will operate as follows:

An employee may bump down to previously held classifications or a lesser classification for which the employee is qualified. For continuous classifications, an employee must bump the employee with the lowest seniority in the same classification. Employees to be laid off for an indefinite period of time will be given as much advance notice as practical under the circumstances, but in no event less than ten (10) working days notice. The Union shall receive a list of employees being laid off at the same time that said employees are notified.

Promotions and Transfers. A laid off employee shall be considered as still employed for bidding on any posted vacancy. A laid off employee does not lose his/her seniority unless he/she fails to return to work when recalled as specified in Article 11, Paragraph D, and continues to accumulate seniority for up to one (1) year during the period of the layoff.

During layoffs the City will not demote supervisory personnel into the bargaining unit as a means of replacing laid off employees.

The City agrees that it shall provide as much advance notice as possible to the Union of any proposed layoff. Additionally, the City will agree to a "meet and confer" session with the Union to discuss possible alternatives to a layoff action.

When the work force is increased or openings occur in any department while there are employees on layoff, employees will be recalled according to inverse order of their having been laid off, providing they have the current ability to do the available work. A laid off employee will remain on the recall list for a period of time equivalent to the length of his seniority. A laid off employee with more than two (2) years seniority, will be removed from the recall list at the end of the two (2) years, unless he informs the Employer in writing within thirty (30) calendar days after the expiration of that two year period that he wants to remain on the recall list. Further, such employee must inform the Employer in this manner within thirty (30) calendar days after each anniversary of the expiration of that two (2) year period that he wants to remain on the recall list until the expiration of the period of time equivalent to the length of his seniority. If an employee is laid off, it will be his/her responsibility to register with the Employer his/her address and any change of address for the purpose of this Article. Notice of recall shall be sent to the employee at the last address registered with the Employer, by registered or certified mail. If the employee fails to report his/her intent to report for work within seven (7) working days after delivery of notice of recall to the Post Office, the City shall

assume he/she has quit.

When the work force is increased or openings occur in any Department, probationary employees who are terminated due to a reduction in the work force will be considered for rehire for the period of time equal to their time served as a probationary employee providing: Laid off seniority employees are determined not to be eligible for the available

position (s) and the probationary employees have the current ability to do the work required in the position (s).

7. DISCIPLINARY LAYOFF AND DISCHARGES

Section 1. The City may discharge or discipline any seniority employee only for just cause. Probationary employees may be discharged for any reason. It shall be the policy of the City that disciplinary action will follow the principle of being both corrective and progressive in nature.

Section 2. Within a two (2) year period following the insertion of a letter of reprimand in the personnel file of any member, he/she may ask that a review be made by the Personnel Director, and unless there is a legitimate reason otherwise, the letter will be removed.

8. GRIEVANCE PROCEDURE

Section 1. A grievance is defined as an alleged violation of a specific article and section of this agreement. No dispute or controversy shall be adjusted under this procedure unless it shall be a true grievance as defined above. It is mutually agreed that all grievances, disputes or complaints arising under and during the term of this agreement shall be settled in accordance with the procedure herein provided. Every effort shall be made to adjust controversies and disagreements in an amicable manner between the employer and the union. No dispute or controversy shall be adjusted under this procedure unless it shall be over the interpretation or application of this contract.

Section 2. Grievances must be taken up promptly and no grievance will be considered or discussed which is initiated later than ten (10) working days after such has happened.

Section 3. Should any grievance, disputes or complaints arise over the interpretation or application of the contents of this agreement, there shall be an earnest effort on the part of the parties to settle such promptly through the following steps:

Step 1. The parties recognize informal resolution of grievances at the lowest possible level of supervision as desirable and encouraged. Initiation of a grievance shall be by a conference between the aggrieved employee, the Steward, or both, and the supervisor and/or department head. If not settled in this manner, it shall be the responsibility of the

aggrieved to reduce any grievance to writing on the regular grievance form provided by the local union within five (5) working days of the alleged grievance, and deliver same to the designed employer representative. Said grievance shall name the employee(s) involved, shall state the facts giving rise to the grievance, shall identify the provisions of this agreement alleged to be violated by appropriate reference, shall state the contention of the employee and of the union with respect to the provisions, shall indicate the relief requested, and shall be signed by the employee.

Step 2. After receipt of the written grievance by the designed employer representative, a conference between the union representatives and employer representative will be held within five (5) working days thereafter. The employer representative shall indicate his disposition of the grievance in writing within five (5) working days of such meeting and shall furnish a copy to the union representative.

Step 3. If the grievance is not settled in Step 2, the union shall, within five (5) working days, deliver to the designated employer representative a written request for a meeting between the union representatives and the employer representatives to review the matter. This meeting may be attended by the Chief Steward and/or Department Steward and/or Business Agent. Such meeting will be held within ten (10) working days from date of said written request and the employer will render its written decision within seven (7) working days thereafter.

Step 4. In the event that the grievance is not satisfactorily settled at Step 3, the union shall have ten (10) days in which to submit the grievance to binding arbitration in accordance with the procedures set forth below or the Teamsters Local 214 Grievance Panel for its review. Notice of the Union's intent to proceed to the Grievance Panel must be submitted to the Employer in writing. The decision of the Grievance Panel shall be made within sixty (60) days of the notice to the employer of submission to the Grievance Panel. Should the Grievance Panel recommend that the matter be submitted to arbitration, the union shall have ten (10) days after the Panel's decision to submit the matter to arbitration in accordance with the procedures set forth below. If the grievance is not so submitted within ten (10) days, it will be considered closed on the basis of the last disposition.

Step 5. If the grievance has not been settled in Step 4, the parties, or either party, may submit such grievance to arbitration provided such submission is made within ten (10) working days. The written notice shall identify the provisions of the agreement allegedly violated, shall state the issues involved and the relief requested. If no such notice is given within the prescribed period, the City's last answer shall be final and binding on the union, the employee or employees involved, and the City. The arbitration proceedings shall be conducted by an arbitrator to be selected by the city and the union from a standing list: Alan Walt, Barry Brown, David Grisholm, Dallas Jones, Daniel Kruger. If the parties cannot agree as to the arbitrator, he/she shall be selected by the Federal Mediation Service. The arbitrator shall have no power or authority to alter, amend, add to or subtract from or disregard any of the terms of this agreement. Both

parties agree to be bound by the award of the arbitrator and that the costs of any arbitration proceeding under this provision shall be borne equally between the parties except that each party shall pay the expenses of its own witnesses.

If either party disputes the arbitrability of any grievance under the terms of this agreement, the arbitrator shall first determine the question of arbitrability. In the event that a case is appealed to an arbitrator on which he/she has no power to rule, it shall be referred back to the parties without decision or recommendation on its merits.

There shall be no appeal from an arbitrator's decision if within the scope of his/her authority as set forth above. It shall be final and binding on the union, its members, the employee or employees involved, and the City.

Section 4. Any grievance not appealed from a decision in one of the steps of the grievance procedure to the next step as herein described shall be considered dropped and the last decision final and binding, except that time limits may be extended by mutual written agreement of the parties.

9. STEWARDS

The employer recognizes the right of the local union to elect a Chief Steward and Deputy Stewards from specific employment activities not to exceed a deputy for Secretaries/Clerks, Public Works, and Building Inspectors. The authority of the Chief Steward so elected or appointed by the local union shall be limited to, and shall not exceed, the following duties and activities:

- A. The investigation and presentation of grievances with his employer or the designated employer representative in accordance with the provisions of the collective bargaining agreement.
- B. The transmission of such messages and information, which shall originate with, and are authorized by the local union or its officers, provided such messages and information
 - 1) have been reduced to writing, or;
 - 2) if not reduced to writing are of a routine nature and do not involve work stoppage, slow-downs, or any other interference with the employer's business.
- C. The Chief Steward and/or Deputy Stewards have no authority to take strike action, or any other action interrupting the employer's business. The employer shall have the authority to impose proper discipline, including discharge, in the event the Steward has taken unauthorized strike action, slow-down or work stoppage in violation of this Agreement. The Steward shall be permitted time to investigate, present and process grievances on the employer property without the

loss of time or pay during this regular working hours. In each and every instance where such time is required during working hours, the Steward will estimate the amount of time needed and receive approval from his/her immediate supervisor. No reasonable request for time away from the job for union business will be denied.

- D. No more than one Steward shall be allowed to investigate, present, or process grievances at any one time. The Department Steward shall be included if requested.
- E. The Steward shall first receive the approval of his supervisor to leave his work, no additional employee shall be allowed time off to accompany the Steward. Abuse of time away from the job, or abuse of any provision of this section, shall be cause for appropriate discipline.
- F. All appointed or elected Chief Stewards and Department Stewards shall be included in contract negotiations, but not to exceed four. Negotiation sessions will be scheduled at mutually agreeable times. All time spent during regular working hours in negotiations for any steward will be compensated at the appropriate rate. No time spent before or beyond regular working hours will be compensated.

10. ABSENCE

Section 1. Any employee desiring a leave of absence from his/her employment shall secure written permission from the employer. Such request for leave shall be submitted in writing. Extensions of leave granted must be requested in writing ten (10) working days in advance of the termination of the leave of absence and must be approved in writing. No leave of absence shall be granted for a period in excess of one (1) year; however, the same may be extended as herein provided.

Section 2. The employer agrees to grant time off not to exceed three (3) days in any one fiscal year, without discrimination or loss of seniority rights or loss of pay, to an employee designated by the union to attend a labor convention, or serve in any capacity on other official union business, provided seven (7) working days written notice is given to the employer by the union.

Section 3. Five (5) personal leave days per year shall be allowed not to be charged to sick or vacation time. The personal leave days shall be credited on the first month of each year provided the employee has at least one (1) year seniority. Personal leave days unearned and used must be paid for on an employee's severance pay if they quit or retire before the end of the year. Personal leave days shall accrue and must be earned by employees with less than one (1) year seniority. All days not used will be added to the sick day accumulation.

Personal leave days will be by permission only of the department head upon advance written request by the employee. It will be necessary, except in an emergency that a twenty-four (24) hour notice be given the department head when requesting a personal business day. If the department head is not available to grant an immediate request, such time may be granted by the immediate supervisor.

Vacation leave days will be by permission only of the department head upon advance written notice by the employee. An employee must give at least a twenty-four (24) hour notice when requesting vacation leave. Department Heads can waive the twenty-four (24) hour notice requirements in cases of emergency only.

Section 4. An employee will take a health leave of absence pursuant to this section at any time during the employee's pregnancy if the employee is unable to satisfactorily perform her assigned duties. A seniority employee who has earned seniority at the time the leave is to commence who is unable to perform her assigned duties shall, at the written recommendation of a physician be granted a maternity leave of absence for up to the length the employee's seniority or three (3) months, whichever is less. A written request for such leave must be submitted to the City Manager as soon as possible after the pregnancy has been determined. When the employee can furnish her physician's statement certifying her fitness to perform her assigned duties, she shall be allowed to continue to work provided that the City reserves the right to require additional medical certification of the employee's fitness to perform her assigned duties if such fitness is questioned. At least thirty (30) days prior to the expiration of the leave, the employee shall notify the City in writing of her intent to return to work accompanied by a written statement from a physician selected pursuant to Article 14, Section 10, certifying the physical and mental fitness of the employee to fulfill her duties. Upon expiration of the leave, the employee will be returned to her former classification, providing she can perform the available work. The City of Novi agrees to provide pregnancy benefit protection no less than required by State Law.

Section 5. The City of Novi will continue to provide medical coverage to those employees off work due to a non-duty related injury, illness or disability. This coverage will continue for any medical leave period not to exceed six months in duration commencing when the employee goes off the payroll. Employees may opt to go off the payroll one time during their leave period. The City may require a doctor's statement verifying the employee's medical condition.

11. LIMITATION OF AUTHORITY AND LIABILITY

Section 1. No employee, union member or other agent of the union shall be empowered to call or cause any strike, work stoppage or cessation of employment prohibited under Act 379, P.A. 1965, or under any other applicable City, State or Federal law, in existence at the present time or enacted during the term of the agreement. In the event of such prohibited conduct, the union shall immediately instruct the involved employees in writing, with a copy to the City, that their conduct is in violation of the

contract and that they may be disciplined and/or discharged, and further shall instruct all persons to immediately cease the offending conduct. The union further agrees that the City shall have the right to discipline (including discharge) any or all employees who violate this article. In the event of a violation of this article, the City shall have the right, in addition to the foregoing and any other remedies it may have, to obtain injunctive relief.

Section 2. Any individual employee or group of employees who willfully violate or disregard the arbitration and grievance procedure set forth in Article VIII of this Agreement, may be summarily discharged by the employer without liability on the part of the employer or the union.

12. MANAGEMENT RIGHTS

Section 1. The union recognizes the City's right to manage its affairs and direct its work force within the existing framework of the statutes of the State of Michigan to maintain the City of Novi in the County of Oakland, as efficiently and at the lowest possible cost consistent with the fair labor standards. Further, the City has all the customary and usual rights, powers, functions and authority of management. It is recognized that the management of the City, the control of its properties and the maintenance of the City, the control of its properties and the maintenance of order and efficiency is solely a responsibility of the City. Among the rights and responsibilities belonging to the City are the rights to decide the number and location of its facilities, work to be performed within the unit, maintenance and repair, amount of supervision necessary, machinery, tools, procurement, designing, engineering and the control of equipment and materials, and the right to purchase services of others. It is understood and agreed that none of the foregoing rights and responsibilities will be exercised in a manner which is inconsistent with the provisions of this agreement.

Section 2. It is further recognized that the responsibility of the management of the City for the selection and direction of the working forces, including the right to hire, suspend or discharge for just cause, assign, promote or transfer, to determine the amount of overtime to be worked, to relieve employees from duty because of lack of work or for other legitimate reasons as set forth herein is vested exclusively in the City.

Section 3. The City reserves the right to promulgate reasonable rules and regulations in order to maintain order and discipline, provided the same are not inconsistent with the provisions of this agreement.

Section 4. The union recognizes that no disputes are subject to the grievance procedure or any arbitration procedures unless they arise from disagreements concerning the interpretation of this contract.

13. DISCRIMINATION

The provisions of this agreement shall be applied without regard to race, creed, religion, color, national origin, age, sex, or marital status.

Masculine pronouns and relative words herein used shall be read as if written in plural and feminine if required by the circumstances and individuals involved and is not intended to be discriminatory in any fashion.

14. GENERAL

Section 1. Authorized representatives of the union shall be permitted to visit the operation of the employer during working hours to talk with Stewards of the local union and/or representatives of the Employer, concerning matters covered by this agreement provided that such visits do not interfere with the normal and orderly operations of the employer.

Section 2. The City of Novi has the authority to determine who will drive a City vehicle, to establish vehicle operator standards, and to revoke the right to drive municipal vehicles for failure to meet the standards (Motor Vehicle Operations Policy). Employees who do not meet the driving record standards will be subject to disciplinary action, up to and including removal of driving privileges and termination of employment. All employees who drive City vehicles will be enrolled in the State of Michigan Driving Record Subscription Service. Effective upon contract ratification, all new hires of the Department of Public Works, Water and Sewer, and Parks, Recreation and Forestry Departments are required to obtain (during his/her probationary period) and must maintain as a condition of employment a Class A CDL license with air brake and tank endorsement.

Section 3. Should the employer require any employee to give bond, cash bond shall not be compulsory and any premium involved shall be paid by the City.

Section 4. The City will provide and maintain sanitary washrooms and toilet facilities. Where needed, the City will provide and maintain lockers.

Section 5. The City shall provide at its expense, such legal assistance as shall be required by an employee as the result of acts occurring when and while said employee was in good faith performance of his/her City duties and responsibilities. If for any reason such legal assistance is denied, then the City shall notify the employee and local union. This provision will in no way apply to any action arising out of any legal or illegal strike, work stoppage, slowdown, speedup, or other interference with the normal and orderly operation of the City.

Section 6. The employer shall provide adequate bulletin board space where employees are employed for the posting of seniority and vacation lists and for the use of the union and employer. Only official notices are to be posted and must have the signature of the union business representative or the Steward for the union and the employer or his/her representative.

Section 7. Where an employee is required by the City to provide his/her own transportation to and from a job location during normal working hours or authorized overtime, then he/she shall be reimbursed at the rate established by the Internal Revenue Service. No employee will be reimbursed for any miles driven while commuting either to or from his/her residence to work.

Section 8. Loss or Damage. Employees shall not be charged for loss or damage of the employer's property, tools, equipment, mobile or otherwise, or articles rented or leased by the employer unless negligence is proven.

Section 9. The City recognizes its obligation to furnish adequate tools and equipment to perform the job tasks required safely.

Section 10. The City may, when the employee's condition could endanger himself, other employees or the operation of the City, require that employees submit to physical and mental tests and examinations by the City-appointed doctors when such tests and examinations are considered to be of value to the City in maintaining a capable work force, employee health and safety, etc., provided however, that the City will pay the cost of such tests and examinations. If a disagreement arises over the decision of the City-appointed physician, the employee, at his/her own cost, may be tested or examined by his/her own physician. If the disagreement is not settled at this point, a third physician will be selected by the City and the employee.

Section 11. An emergency first aid kit shall be furnished and maintained at certain designated areas.

Section 12. All inspectors shall be furnished with a winter jacket. Jackets shall be replaced every two (2) years unless the condition of the jacket warrants replacement earlier. It shall be the responsibility of the employee to maintain and care for their jacket and to keep it in the best condition possible.

After the contract has been settled, City agrees to re-visit the possibility of obtaining different uniforms for those currently required to wear uniforms.

Section 13. The City and union recognizes and supports the principle of maintaining and updating employee's occupational skills. All members of this bargaining unit are covered under the City of Novi Tuition Reimbursement Policy which allows reimbursement up to \$1,500 per fiscal year pursuant to the criteria of the Policy. Please

see the City's Tuition Reimbursement Policy for further explanation, policies and procedures.

Section 14. The City agrees that before changes in policy or staff realignment, a conference will be held with the union and stewards where the union is involved.

Section 15. The City agrees to pay the difference between a regular operator's license and chauffeur's license renewal for all D.P.W. employees classified at range 5 or above.

Section 16. The City agrees to continue health care coverage for employees off work due to a non-duty related injury, illness or disability for a period not to exceed six (6) months in duration. This benefit shall only be extended once the employee has exhausted all available leave days.

Section 17. Retroactive wages for all current City employees and retirees.

Section 18. All employees hired after January 1, 2001, will be paid through direct deposit.

Section 19. Employees shall not consume alcohol or drugs during the course of the workday, including lunch and/or break periods. Any employee who is suspected of doing so shall be subject to immediate alcohol/drug testing. If it is determined that an employee has consumed either alcohol or drugs during the course of the workday, the City reserves the right to take disciplinary action up to and including termination of employment.

15. VACANCIES AND PROMOTIONS

Section 1. Promotions shall be filled based upon qualifications, ability, merit, and where equal, by giving preference to the employee with the greater seniority. The City may only hire outside applicants where no qualified bargaining unit member applies for the position. Qualifications, ability and merit shall be determined by the employer and based upon experience, performance, and the ability to maintain effective working relationships with others.

Section 2. Job vacancies other than staff positions will be posted on the bulletin board for a period of seven (7) calendar days. The employee selected for the job vacancy will have a six (6) month probationary period to qualify for the job. An employee may acquire seniority in the new position after working six (6) continuous months. During the probationary period, the employee will receive the rate of pay of the job he/she is performing. If the employee is not qualified for the job vacancy, he/she shall be returned to his/her former classification and pay.

Section 3. In filling temporary job vacancies the City will give due consideration to qualifications and seniority.

Section 4. An employee assigned to work in a higher classification for two (2) hours or more per calendar day will receive the higher rate of pay. Employees assigned to perform temporary supervisory duties shall not receive a higher rate of pay unless the assignment lasts eight (8) or more working hours in a 24-hour period and have been specifically assigned by the supervisor. An employee assigned to work in a lower classification shall not suffer a reduction in pay unless the reassignment is pursuant to Article 6 of this agreement.

Section 5. Employees who work either seasonal, temporary, part-time or in cases of emergency shall not be covered by this agreement and will not be used to undermine the union.

16. EQUIPMENT ACCIDENTS AND REPORTS

Section 1. The City of Novi agrees to meet all occupational safety regulations as required under State and Federal law.

Section 2. Employees shall immediately report all accidents to their supervisors and reduce same to writing by the end of the workday or by no later than the end of the next workday, provided the employee is not incapacitated by the accident. In the event of incapacity, a report will be given at the earliest possible date. Employees injured on the job will be sent to a City appointed physicians only. Under no circumstances should an employee report to a physician of his/her choice unless prior approval is received from the City. In the event of an emergency, an injured employee will receive treatment at the closest appropriate medical emergency facility.

Section 3. All defects in equipment shall be reported to the City promptly. The City recognizes its obligation to investigate defects.

Section 4. Employees covered hereby, in the performance of their jobs, shall at all times use safety devices and protective equipment which will be furnished to them hereunder and will comply with the safety, sanitary, or fire regulations issued by the City. Failure to report defects or accidents as outlined hereunder, or failure to follow the provisions of this article will be grounds for the appropriate disciplinary action.

17. SEPARABILITY AND SAVINGS CLAUSE

In the event that any provisions of this agreement shall at any time be declared invalid by any court of competent jurisdiction, the decision shall not invalidate the entire agreement, it being the express intention of the parties that all other provisions shall remain in full force and effect.

18. SAFETY COMMITTEE

A safety committee comprised of two (2) members of the union and two (2) representatives of the City may recommend safety regulations for the City to adopt as the need arises. A written agenda will be forwarded by the moving party at least forty-eight (48) hours in advance of the scheduled meeting. The safety committee shall meet at the request of either party during normal working hours.

19. COURT AND FUNERAL LEAVE

Section 1. City employees who have been called for jury duty, or subpoenaed to Court on any City business, will be paid the difference between their daily wages and the daily jury duty fee and other court compensations paid.

Section 2. City employees shall be paid up to five (5) days' pay, if needed, to attend the funeral of father, mother, mother-in-law, father-in-law, sister, brother, wife or husband or child, stepbrother, stepsister, stepmother, stepfather, stepchild.

Section 3. City employees shall be paid up to three (3) days' pay, if needed, to attend the funeral of their grandmother, grandfather, grandson, granddaughter.

Section 4. City employees shall be paid two (2) days' pay, if needed, to attend the funeral of their brother-in-law, sister-in-law, niece or nephew, aunt or uncle.

20. WORKERS' COMPENSATION

Section 1. The City of Novi shall provide Workers' Compensation protection for all employees covered by this agreement. Protection shall not be less than provided by State Law.

Section 2. A "Duty Disability Leave" shall mean a leave required as a result of the employee incurring a compensable illness or injury covered by the Michigan Worker's Compensation Act while in the employ of the City.

In order to be eligible for duty disability leave, an employee shall immediately report any illness or injury, however minor, to his/her immediate supervisor, and shall note same in writing.

In the event an employee's illness or disability exceeds seven (7) calendar days, he/she shall cause any applicable insurance disability form to be completed and filed with the City; no further check will be sent to the employee until such forms have been submitted to the City.

Eligibility for disability benefits shall depend upon a clear showing by competent medical

evidence that such disability leave is necessary.

When absence results from a "Duty Disability", the benefits provided in this article will terminate at the start of Worker's Compensation payments, thereafter, a seniority employee who is disabled and unable to work because of a duty disability, shall be entitled to receive ninety-five (95%) percent of the employee's regular take home pay, including sums received by way of weekly benefits under the workers' compensation law, any other disability benefit provided by law, and disability insurance provided for by this agreement, and any social security benefits. The City will pay the difference, if any, between all such payments and ninety-five (95%) percent of the employee's regular straight time pay for the period of the employee's disability, but not to exceed twelve (12) months from the date of injury or illness.

When an employee who sustains an injury or illness while on or off duty, may be returned to work on limited duty at the discretion of the City. His/her activities on limited duty are to be prescribed by his/her own physician. Additional limited duty time may be authorized with his/her activities during the extended limited duty also to be prescribed by the employee's own physician and the employer's physician.

21. INSURANCE

Section 1. Hospitalization: The City shall continue to provide the current health care insurance coverage or substantially comparable health care insurance coverage for each employee and his/her dependents. Effective sixty (60) days after the signing of the contract, the prescription co-pay will be \$10 generic/\$20 formulary/\$40 non-formulary. A hospitalization policy will be equal or substantially comparable to the above coverage. Thirty (30) days notice will be given prior to any change.

- A. Effective January 2007 employees shall contribute 2.5% of their health care premiums by way of monthly payroll deductions on a pre-tax basis.
- B. Effective January 2007 employees who insure eligible dependents ages 19-25 by way of Family Contribution coverage shall contribute 20% of the premium for this coverage. This premium shall be made by way of monthly payroll deductions on a pre-tax basis.
- C. Effective July 2007 employees shall contribute an additional 2.5% (for a total of 5%) of their health care premiums by way of monthly payroll deductions on a pre-tax basis.
- D. Effective July 1, 2007 the annual Blue Cross Blue Shield deductible shall increase to \$150 per person/\$300 per family.
- E. Effective January 2008 employees who insure eligible dependents ages 19-25 by way of Family Contribution coverage shall contribute an additional 30% (for a total of 50%) of the premium for this coverage. This premium shall be made by way of monthly payroll deductions on a pre-tax basis.
- F. Effective July 2008 employees shall contribute an additional 2.5% (for a total of 7 ½ %) of their health care premiums by way of monthly payroll deductions

on a pre-tax basis.

Section 2. Optical: The City shall provide group optical insurance coverage for each employee and his/her dependents, comparable to the extra benefits program presently provided by the City.

Section 3. Life Insurance: The City shall provide life insurance in the face amount of \$50,000 for all seniority employees.

Section 4. Dental: The City shall continue to provide the current dental plan or a substantially comparable dental plan with an annual cap of \$1,000.00 per enrollee. Effective sixty (60) days after the signing of the contract, the City will provide orthodontic coverage for eligible dependents up to age 19 with a \$1,500 lifetime cap.

Section 5. Long Term Disability Insurance: The City shall provide disability insurance effective July 1, 1986, which will pay sixty (60%) percent of an employee's salary at time of disability for a period not to exceed five (5) years. Such coverage shall become effective after a period of six (6) months of continuous disability.

Section 6. The employer shall have no obligation to duplicate any benefit an employee receives under any other policy with any other employer notwithstanding the circumstances of eligibility, amount or duration of benefit, and it shall be the obligation of the employee to inform the employer of any and all insurance coverage enjoyed by said employee other than coverage provided by the employer herein a party.

Section 7. Should the City be obligated by law to contribute to a governmental sponsored insurance program, state, national or otherwise, which duplicates the benefits provided by the city under insurance policies currently in effect as a result of this agreement, it is the intent of the parties that the City not be obligated to provide double coverage; to escape such double coverage, the City shall be permitted to cancel benefits or policies which duplicate compulsory governmental sponsored insurance programs, provided, however, the City agrees to maintain the benefit level established by this agreement supplementing compulsory policies if necessary.

Section 8. The City will continue to have the right to select the carrier, to change carriers, and to become self-insured, provided that the coverage provided is equal to or substantially comparable to the coverage currently in place. It is further agreed that the only liability assumed under this article is to pay the premiums, as outlined above. Any claim settlement between the employee and the insurance carrier shall not be the responsibility of the City.

Section 9. It is hereby agreed that the City and the Union shall continue to jointly study alternative fringe benefits. Any change resulting from such joint study shall require the approval of both parties. It is understood that the City shall retain its

rights under Article 21, Sub-section 8 above.

22. RETIREMENT

The City shall continue to make monthly contributions on behalf of each employee to the Municipal Employees Retirement System (MERS) to provide at a minimum of all of the present benefits to which employees are now entitled under the present arrangement between the City and MERS (Plan B-2). Effective July 1, 1989, all contributions to this retirement system shall be fully paid by the City.

Section 1. Effective March 1, 2007, the retirement plan shall be revised to Plan B-3 (2.25% multiplier). Employees shall be responsible for all costs associated with the B-3 benefit. Employee contributions shall be from MERS eligible gross earnings and deducted through payroll deductions. An actuary report shall be ordered to provide the employees with a current cost for this benefit.

- A. Upon retirement, or disability retirement, as defined by MERS, the City shall provide an eligible employee and his/her spouse the health care insurance benefits that are in effect at the time of retirement.
- B. The sole obligation of the City shall be to provide the benefits upon retirement as defined by contract. Any funds established by the City shall be vested in the City, and no officer covered by this Agreement shall be considered to have any proprietary interest in these funds. In the event that alternative funding sources become available, either by legislative action or at the option of the City, any funds established for the purpose of providing medical coverage upon retirement shall belong entirely to the City. Furthermore, the City reserves the right to change providers within the limitations as described by Article XVIII, Section 19.6.
- C. The City agrees to pay 80% of the retiree's medical insurance coverage, and the retiree agrees to pay the remaining 20%. Failure to remit the employee's share of the premium cost in a timely fashion shall be grounds for suspending the above coverage.
- D. To qualify for this medical insurance coverage an employee must possess a minimum of twenty (20) years of seniority upon retirement. Employees granted a disability retirement shall be excluded from this provision.
- E. Retiree health care premiums shall be paid by way of the City's direct payment plan. Employees shall sign up for this payment plan prior to their last day of work prior to their retirement status.
- F. The spouse of a retiree shall have survival rights to the medical coverage, as

described above, subject to the following conditions:

1. The City agrees to pay 80% of the spouse's medical coverage, and the spouse agrees to pay the remaining 20%.
2. In the event that the spouse shall have comparable or better insurance available, the City shall have no obligation to continue coverage. In the event the spouse loses the comparable coverage, the spouse will then become eligible for coverage from the employer.

Section 2. Effective on December 1, 2006, all employees hired on or after this date shall be enrolled in a MERS Defined Contribution Program. The City shall contribute 8% of the employee's MERS eligible gross wages and the employee shall make a mandatory contribution of 3% of MERS eligible gross wages. The MERS Defined Benefit Retirement Program will no longer be available to employees hired on or after the above date.

Section 3. Existing employees, hired prior to December 1, 2006, may withdraw their active status with the MERS Defined Benefit Plan and participate in the Defined Contribution Program with a City contribution of 8% (of future MERS eligible earnings) and mandatory employee contribution of 3% of MERS eligible gross wages. Such change in Plans shall be irrevocable. The effective date will be June 1, 2007.

Section 4. All employees hired prior to December 1, 2006, who withdraws their active status in the Defined Benefit Plan and elects to participate in the Defined Contribution Retirement Plan, shall receive a one-time deposit in their Defined Contribution Retirement Plan of \$1,000.00 by the City. This deposit shall be made on June 1, 2008 for all employees making the election and who are still employed by the City. If the employee transferring from the Defined Benefit Plan to the Defined Contribution Program leaves the employ of the City prior to June 1, 2008, the employee forfeits the \$1,000.00 deposit. Employees' interest in the Defined Benefit Plan shall be actuarially calculated by MERS. All equity, as determined by MERS, shall be transferred into employees' Defined Contribution Program. The effective date of such a transfer will be June 1, 2007.

Section 5. All employees hired on or after December 1, 2006, shall be enrolled in a Retiree Health Savings Account. The City will contribute \$50.00 per pay to the employee's RHS account. Employees hired on or after December 1, 2006, will not be eligible for Retiree Health Care Insurance or any health-related benefit through the City. The employee may also choose to contribute up to 50% of their gross wages on a pre-tax basis. A vesting schedule will apply. Existing employees, hired

prior to December 1, 2006, may choose to contribute on a pre-tax basis. The decision to contribute on a pre-tax basis is a one-time irrevocable decision.

23. HOLIDAYS

Section 1. All employees will be eligible to receive holiday pay under the following regulations: Employees will be paid their current rate based on an eight (8) hour day (7 ½ hour day for Clerical employees) for paid holiday. To be eligible to collect holiday pay, employees must work the regular workday immediately preceding and following the holiday. In order to take a sick day on either the regular workday immediately preceding or following the holiday, employees must supply the City with medical documentation. Employees on a pre-approved medical leave extending through a holiday shall not be required to furnish additional documentation in order to receive pay for the holiday provided the employee is on the payroll. If a holiday falls on a Saturday, it will be observed on Friday and if it falls on Sunday, it will be observed on Monday.

Section 2. The thirteen (13) holidays shall be as follows:

New Year's Eve Day	Labor Day
New Year's Day	Veteran's Day
Martin Luther King Day	(As determined by Federal law)
President's Day	Thanksgiving Day
Good Friday	Friday after Thanksgiving Day
Memorial Day	Christmas Eve Day
Fourth of July	Christmas Day

Section 3. Employees required to work on a legally established holiday as recognized in this Agreement will be paid double time for actual hours worked.

24. SICK LEAVE

Sick leave with pay shall be earned by all seniority employees. Sick leave shall not be considered as a right which an employee may use at his discretion, but shall be allowed only in case of necessity.

In order to receive compensation while absent on sick leave, an employee shall notify his/her supervisor within one (1) hour of the start of his/her shift that he/she will not be in to work, unless proof is presented that it was impossible for him/her to contact management. Medical certification will not normally be required to substantiate sick leave of five (5) consecutive workdays or less. This provision shall not diminish the right of the City to require doctor's certificates or statements for each instance of sick leave in cases where it has been determined that sick leave abuse exists.

Sick leave will not be allowed in cases where illness or disability is self-imposed by bad habits or malicious contributing actions. Sick leave may not be granted in anticipation of

future service, or failure to notify the department head of his/her illness.

Sick leave may be used for absence due to serious illness and/or injury in the immediate family not to exceed five (5) days per year. The immediate family shall consist of mother, father, children, spouse, brothers, sisters, grandparents and grandchildren.

Sick leave will not be charged for holidays falling during a period of absence due to illness. Illness during a vacation period will be charged to vacation leave. If illness occurs immediately prior to a scheduled vacation, the employee may request a rescheduling of his/her vacation.

For purposes of computing sick leave pay, a workday shall be considered as one-fifth (1/5) of the number of working or duty hours in the established workweek for each employee.

Sick leave shall be earned at the rate of one (1) workday for each full calendar month of service. Unused sick leave shall accrue and may be accumulated to a total of not more than one hundred thirty (130) workdays.

All employees using less than forty-eight (48) hours of sick time from January 1 through December 31 shall receive all unspent hours in excess of forty-eight (48) hours multiplied by .333 as additional vacation time off or in straight time payment. Payment shall be made no later than the first pay in February of the following year. The additional vacation time, if chosen, can be utilized in accordance with vacation provisions of this agreement. To be eligible for payment, an employee must have a minimum of twenty-four (24) hours in their sick leave bank on the last day of the previous calendar year.

Formula: $96 - 48 = 48$ hours used $\times .333 \times$ hourly rate = \$_____

All unused sick time will continue to accumulate to the one hundred thirty (130) day maximum accumulation.

Each seniority employee who terminates his employment with the City by reason of his/her death or retirement shall be paid for fifty (50%) percent of his/her accumulated sick leave up to a maximum of one hundred thirty (130) days.

Each seniority employee who quits or resigns from his/her employment with the City shall be paid for fifty (50%) of his/her accumulated sick leave up to one hundred thirty (130) days.

In no case shall a City employee who has been discharged be entitled to pay for accumulated sick leave.

25. VACATIONS

Regular full-time employees shall receive vacation as follows:

- A. One to four years of service - ten (10) working days per year.
- B. Five to nine years of service - fifteen (15) working days per year.
- C. After ten years of service - twenty (20) working days per year.
- D. Beginning the sixteenth (16) year of service employees will be given one (1) additional day per year of service to a maximum of twenty-five (25) working days per year.

Eligibility for vacation time earned shall be administered in the following manner:

An employee will begin to earn vacation time immediately upon hire. At the end of the calendar year of hire an employee will be eligible for vacation leave. The amount of leave earned will be pro-rated against the vacation allotment as shown above in this agreement. Thereafter, vacation leave will be earned on a calendar year basis and vacation leave taken in the following calendar year. Consistent with the requirements of the City, employees shall be entitled to take their vacation during the period which they request, except in cases of conflict which would create a staffing problem for the department. In event of conflict, the employee with the most seniority shall be entitled to vacation preference. Any holiday designated as such in this agreement which falls during an employee's vacation period shall not be counted as a day of vacation under this article. A carry over of vacation time, not to exceed ten (10) working days will be allowed with the permission of the department head and approval of the City Manager for one year and will not be allowed in any two consecutive years.

Payment in lieu of vacation is allowed. However, the City encourages all employees to take vacation leave. Employees shall be permitted a minimum of five (5) days vacation credit at a time.

Each seniority employee, or his/her estate in case of death, who leaves employment with the City for any reason shall be paid for all earned or accumulated vacation days.

Any employee who is called back to work during a vacation period shall not lose any remaining vacation leave.

26. LONGEVITY PAY

All permanent employees who have been in the service of the City for sixty (60) full months or longer on December 1 of each year, are eligible to be included in the City's longevity plan. Payment for this plan will be made in the first pay period of December of

each year and will be computed in accordance with the following schedule:

After five (5) years of continuous service - two (2%) percent of base salary, excluding overtime pay.

After ten (10) years of continuous service - four (4%) percent of base salary, excluding overtime pay.

After fifteen (15) years of continuous service - six (6%) percent of base salary, excluding overtime pay.

After twenty (20) years of continuous service - eight (8%) percent of base salary, excluding overtime pay.

Employees hired after March 18, 1996 are not eligible for longevity.

27. OVERTIME AND HOURS OF WORK

Section 1. The regular workweek is established as seven and one half (7.5) hours a day between the hours of 8 a.m. and 5 p.m., five (5) days a week for all clerical employees and eight (8) hours a day, five (5) days a week for all other employees. All field employees currently working 7:30 a.m. to 4:00 p.m. will not be effected by the above language. Clerical employees working at the DPW site will continue to work 7:30 a.m. to 4:00 p.m. except will now be entitled to a one (1) hour break for lunch. The City reserves the right to establish its employees work schedule to meet the requirements of the City.

Section 2. All clerical employees working the 7.5 hour work day shall be given a work schedule setting forth a start time and quit time for each clerical employee prepared by the department head with a minimum five (5) day notice to the employee. Employees' schedules shall not vary from day to day but must be consistent for a period of not less than one (1) Monday through Friday work week.

Section 3. Overtime pay will be one and one-half (1 1/2) times the hourly rate for all hours worked in excess of seven and one half (7.5) hours for clerical employees and eight (8) hours for all other employees in any one (1) day or over forty (40) hours in any week.

Section 4. Overtime pay shall be two (2) times the hourly rate for all time worked on Sunday.

Section 5. An employee reporting for call-in assignments shall be guaranteed three (3) hours pay at the rate of one and one-half (1 1/2) times his hourly rate. A call-in assignment shall be defined as follows: When an employee is unexpectedly called to

temporary duty at a time when he/she would not normally be scheduled to work. Hours worked contiguous to employee's normal shift shall not be considered call-in assignments, however the employee shall be entitled to work their full shift.

Section 6. Overtime worked will be permitted only when authorized by a department head.

Section 7. There shall be no pyramiding of overtime pay under any provision of this agreement. When an employee is already working on an assignment and overtime becomes available in order to continue working on that assignment, that employee shall be given the opportunity to work that overtime and that opportunity shall not be subject to the call-in list.

Section 8. Overtime shall be offered on a rotating basis, by seniority within classification. Employees who are offered the opportunity to work overtime and refuse it shall be charged the amount of overtime actually worked by the employee who does the required work for the purpose of equitable distribution of overtime. For purposes of equalization of overtime, all hours paid will be converted to straight time hours. These hours (converted) will be posted on the bulletin board and updated on a weekly basis. The next overtime opportunity shall be offered to the qualified employees with least number of hours. The overtime record of hours will be continuous for the duration of the contract.

Section 9. Rotation of overtime assignments will not apply to clerical employees assigned to Boards, Commissions or Hearings.

Section 10. Overtime pay shall be two (2) times the hourly rate for all time worked in excess of fourteen (14) hours during any twenty-four (24) hour period.

- A. The referenced twenty-four (24) hour period shall begin at the start of the employee's normal shift.
- B. Hours worked within this twenty-four (24) hour period need not be continuous to qualify for double time after fourteen (14) hours.
- C. Leave periods shall not be considered as hours worked.
- D. In the event that an employee has reached fourteen (14) hours in the previous twenty-four (24) hour period and is, therefore, receiving double time at the onset of their regular shift, they shall continue to receive double time for all hours worked the remainder of that shift.
- E. Effective July 1, 1993, all double time shall be paid to employees working in excess of fourteen (14) hours continuously, without regard to the above referenced twenty-four (24) hour period.

28. SAVINGS CLAUSE

It is the intent of the City of Novi to use all reasonable measures short of civil litigation to seek State and Federal approval of the wage and fringe benefit proposal as accepted by the City of Novi if challenged.

29. WAIVER CLAUSE

The parties acknowledge that during the negotiations which resulted in this agreement each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this agreement. Therefore, the City and the Union, for the life of this agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to, bargain collectively with respect to any subject or matter not specifically referred to or covered in this agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this agreement.

30. MAINTENANCE OF CONDITIONS

Wages, hours and conditions of employment in effect at the execution of this agreement shall, except as changed herein, be maintained during the term of this agreement. No employee shall suffer a reduction in such benefits as a consequence of the execution of this agreement.

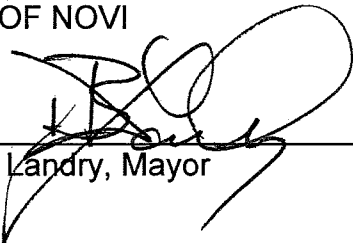
31. TERMINATION OF AGREEMENT

Section 1. This agreement shall be in full force and effect from July 1, 2005 to and including June 30, 2009. Should either party desire to renegotiate this agreement notice must be served one hundred eighty (180) days prior to the termination date. Failure to serve notice of intent to renegotiate will extend this agreement in full force and effect for an additional twelve (12) month period following the date of termination.

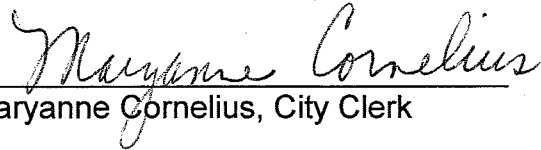
Section 2. It is further agreed that all contract proposals shall be served upon the other party within one hundred sixty-five (165) days before termination of this agreement. All counter proposals shall be served on the other party within one hundred thirty-five (135) days of the termination of this agreement. Both parties will make a good faith effort to renegotiate a new agreement within seventy-five (75) days before expiration of this agreement. Any of the time schedules in this section may be extended by mutual written consent of the parties.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals
this 6th day of December, 2006.

CITY OF NOVI

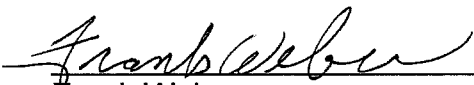


David Landry, Mayor

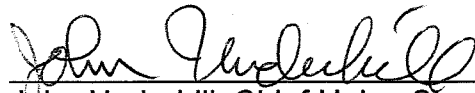


Maryanne Cornelius, City Clerk

TEAMSTERS LOCAL NO. 214



Frank Weber
Teamsters Business Agent



John Underhill, Chief Union Steward

TEAMSTERS SALARY AND WAGE SCHEDULE
JULY 1, 2005 - JUNE 30, 2006
CLERICAL (75 HOUR BI-WEEKLY SCHEDULE)

RANGE	CLASSIFICATION		START	SIX MONTHS	ONE YEAR
1	CLERK TYPIST I	A	28,325	28,643	N/A
		H	14,525	14,689	
		BW	1,089.41	1,101.64	
2	CLERK TYPIST II	A	30,412	30,772	31,100
		H	15,596	15,780	15,949
		BW	1,169.70	1,183.52	1,196.15
3	CLERK TYPIST III	A	31,717	32,046	32,369
		H	16,265	16,434	16,599
		BW	1,219.90	1,232.53	1,244.96
4	CLERK TYPIST IV STENO CLERK I	A	32,960	33,284	33,627
		H	16,903	17,069	17,245
		BW	1,267.71	1,280.14	1,293.37
5	ACCOUNT CLERK I CLERK TYPIST V STENO CLERK II	A	33,937	34,268	34,593
		H	17,404	17,573	17,740
		BW	1,305.28	1,317.99	1,330.50
6	ACCOUNT CLERK II PLANNING ASSISTANT I STENO CLERK III	A	34,919	35,245	35,574
		H	17,907	18,075	18,243
		BW	1,343.04	1,355.59	1,368.22
7	ACCOUNT CLERK III PLANNING ASSISTANT II PRINCIPAL CLERK	A	35,899	36,224	36,554
		H	18,410	18,577	18,745
		BW	1,380.73	1,393.24	1,405.91
8	ACCOUNT CLERK IV	A	37,391	37,732	38,071
		H	19,175	19,350	19,524
		BW	1,438.11	1,451.22	1,464.28
9	BUILDING PERMIT ANALYST	A	38,940	39,267	39,590
	PAYROLL COORDINATOR I	H	19,969	20,137	20,303
	SENIOR PRINCIPAL CLERK	BW	1,497.68	1,510.27	1,522.70
	W & S CUSTOMER SERVICE REP				
10	PAYROLL COORDINATOR II	A	41,424	41,748	42,082
		H	21,243	21,409	21,580
		BW	1,593.23	1,605.70	1,618.52

TEAMSTERS SALARY AND WAGE SCHEDULE
JULY 1, 2005 - JUNE 30, 2006
NON-CLERICAL

RANGE	CLASSIFICATION		START	SIX MONTHS	ONE YEAR
7	LABORER I	A	36,777	37,112	37,448
	TOOL/PARTS CLERK	H	17,681	17,842	18,004
	WATER & SEWER WKR.	BW	1,414.49	1,427.39	1,440.30
9	BUILDING MTN. SUP. I	A	39,893	40,228	40,559
	LABORER II	H	19,179	19,341	19,499
	LIGHT EQUIP OPERATOR	BW	1,534.33	1,547.24	1,559.95
	PARK MAINTENANCE I W & S MAINTENANCE				
10	BUILDING MTN. SUP. II	A	42,438	42,770	43,112
	FORESTRY TECHNICIAN	H	20,403	20,563	20,727
	HEAVY EQUIP. OPERATOR	BW	1,632.22	1,645.01	1,658.16
	MECHANIC I				
	PARK MAINTENANCE II				
	RESIDENT APPRAISER I SIGN TECHNICAIN				
11	MECHANIC II	A	43,439	43,776	44,109
	PARK MAINTENANCE SUPERVISOR	H	20,884	21,046	21,206
	RESIDENT APPRAISER II	BW	1,670.74	1,683.69	1,696.52
	W & S TECHNICIAN				
12	CODE COMPLIANCE OFFICER I	A	46,220	46,550	46,889
	HEAD MECHANIC	H	22,221	22,380	22,543
	RESIDENT APPRAISER III	BW	1,777.69	1,790.39	1,803.42
	WORK LEADER				
13	CODE COMPLIANCE OFFICER II	A	49,005	49,339	49,672
	COMMERCIAL/INDUSTRUIAL APPRAISER	H	23,560	23,721	23,881
		BW	1,884.79	1,897.66	1,910.44
14	BUILDING INSPECTOR	A	51,975	52,311	52,651
	CODE COMPLIANCE OFFICER III	H	24,988	25,149	25,313
	ELECTRICAL INSPECTOR	BW	1,999.04	2,011.95	2,025.05
	MOTOR CARRIER OFFICER				
	PLUMBING INSPECTOR				
15	PLAN EXAMINER	A	53,584	53,919	54,253
		H	25,761	25,923	26,083
		BW	2,060.91	2,073.82	2,086.64

TEAMSTERS SALARY AND WAGE SCHEDULE
JULY 1, 2006 - JUNE 30, 2007
CLERICAL (75 HOUR BI-WEEKLY SCHEDULE)

RANGE	CLASSIFICATION		START	SIX MONTHS	ONE YEAR
1	CUSTOMER SERVICE REP I	A	\$ 32,669	\$ 33,007	\$ 33,340
		H	16.753	16.927	17.097
		BW	1,256.50	1,269.50	1,282.31
2	CUSTOMER SERVICE REP II	A	33,949	34,282	34,636
		H	17.410	17.581	17.762
		BW	1,305.74	1,318.55	1,332.17
3	CUSTOMER SERVICE REP III ACCOUNT CLERK I	A	34,955	35,296	35,631
		H	17.926	18.100	18.272
		BW	1,344.44	1,357.53	1,370.41
4	CUSTOMER SERVICE REP IV ACCOUNT CLERK II PLANNING ASSISTANT I	A	35,967	36,303	36,641
		H	18.444	18.617	18.790
		BW	1,383.34	1,396.26	1,409.27
5	ACCOUNT CLERK III PLANNING ASSISTANT II	A	36,976	37,311	37,650
		H	18.962	19.134	19.308
		BW	1,422.15	1,435.04	1,448.08
6	ACCOUNT CLERK IV	A	38,513	38,864	39,214
		H	19.750	19.930	20.109
		BW	1,481.26	1,494.76	1,508.21
7	PAYROLL COORDINATOR I SENIOR PRINCIPAL CLERK SENIOR CUSTOMER SERVICE REP	A	40,108	40,445	40,778
		H	20.568	20.741	20.912
		BW	1,542.61	1,555.58	1,568.38
8	PAYROLL COORDINATOR II BUILDING PERMIT ANALYST	A	42,667	43,001	43,344
		H	21.880	22.052	22.228
		BW	1,641.02	1,653.87	1,667.08

TEAMSTERS SALARY AND WAGE SCHEDULE
JULY 1, 2006 - JUNE 30, 2007
NON-CLERICAL

RANGE	CLASSIFICATION		START	SIX MONTHS	ONE YEAR
9	LABORER I	A	\$ 37,880	\$ 38,226	\$ 38,571
	TOOL/PARTS CLERK	H	18.211	18.378	18.544
	W & S WORKER I	BW	1,456.92	1,470.21	1,483.51
10	BUILDING MTN. SUP. I	A	41,089	41,435	41,775
	LABORER II	H	19.755	19.921	20.084
	LIGHT EQUIP OPERATOR	BW	1,580.36	1,593.66	1,606.75
	PARK MAINTENANCE I W & S WORKER II				
11	BUILDING MTN. SUP. II	A	43,711	44,053	44,405
	FORESTRY TECHNICIAN	H	21.015	21.180	21.349
	HEAVY EQUIP. OPERATOR	BW	1,681.19	1,694.36	1,707.90
	PARK MAINTENANCE II SIGN TECHNICAIN W & S MAINTENANCE				
12	MECHANIC	A	44,742	45,089	45,433
	W & S TECHNICIAN	H	21.511	21.678	21.843
		BW	1,720.85	1,734.20	1,747.41
13	CODE COMPLIANCE OFFICER I	A	47,606	47,947	48,296
	HEAD MECHANIC	H	22.888	23.051	23.219
	PARK MAINTENANCE SUPERVISOR	BW	1,831.02	1,844.11	1,857.52
	RESIDENT APPRAISER I WORK LEADER				
14	CODE COMPLIANCE OFFICER II	A	50,475	50,819	51,162
	LEAD MECHANIC	H	24.267	24.432	24.597
		BW	1,941.33	1,954.59	1,967.76
15	CODE COMPLIANCE OFFICER III	A	53,534	53,880	54,231
	RESIDENT APPRAISER II	H	25.738	25.904	26.073
		BW	2,059.01	2,072.30	2,085.80
16	BUILDING INSPECTOR	A	54,851	55,147	55,548
	ELECTRICAL INSPECTOR	H	26.371	26.513	26.706
	PLUMBING INSPECTOR	BW	2,109.66	2,121.03	2,136.46
17	COMMERCIAL/INDUSTRUIAL APPRAISER	A	56,168	56,463	56,944
	PLAN EXAMINER	H	27.004	27.146	27.377
		BW	2,160.32	2,171.65	2,190.17

TEAMSTERS SALARY AND WAGE SCHEDULE
JULY 1, 2007 - JUNE 30, 2008
CLERICAL (75 HOUR BI-WEEKLY SCHEDULE)

RANGE	CLASSIFICATION		START	SIX MONTHS	ONE YEAR
1	CUSTOMER SERVICE REP I	A	\$ 33,649	\$ 33,997	\$ 34,340
		H	17,256	17,434	17,610
		BW	1,294.19	1,307.58	1,320.77
2	CUSTOMER SERVICE REP II	A	34,967	35,310	35,675
		H	17,932	18,108	18,295
		BW	1,344.88	1,358.08	1,372.12
3	CUSTOMER SERVICE REP III ACCOUNT CLERK I	A	36,004	36,355	36,700
		H	18,464	18,644	18,821
		BW	1,384.77	1,398.27	1,411.54
4	CUSTOMER SERVICE REP IV ACCOUNT CLERK II PLANNING ASSISTANT I	A	37,046	37,392	37,740
		H	18,998	19,175	19,354
		BW	1,424.85	1,438.15	1,451.54
5	ACCOUNT CLERK III PLANNING ASSISTANT II	A	38,085	38,430	38,780
		H	19,531	19,708	19,887
		BW	1,464.81	1,478.08	1,491.54
6	ACCOUNT CLERK IV	A	39,668	40,030	40,390
		H	20,343	20,528	20,713
		BW	1,525.69	1,539.62	1,553.46
7	PAYROLL COORDINATOR I SENIOR PRINCIPAL CLERK SENIOR CUSTOMER SERVICE REP	A	41,311	41,658	42,001
		H	21,185	21,363	21,539
		BW	1,588.88	1,602.23	1,615.42
8	PAYROLL COORDINATOR II BUILDING PERMIT ANALYST	A	43,947	44,291	44,644
		H	22,537	22,713	22,894
		BW	1,690.27	1,703.50	1,717.08

TEAMSTERS SALARY AND WAGE SCHEDULE
JULY 1, 2007 - JUNE 30, 2008
NON-CLERICAL

RANGE	CLASSIFICATION		START	SIX MONTHS	ONE YEAR
9	LABORER I	A	\$ 39,016	\$ 39,373	\$ 39,728
	TOOL/PARTS CLERK	H	18.758	18.929	19.100
	W & S WORKER I	BW	1,500.62	1,514.35	1,528.00
10	BUILDING MTN. SUP. I	A	42,322	42,678	43,028
	LABORER II	H	20.347	20.518	20.687
	LIGHT EQUIP OPERATOR	BW	1,627.77	1,641.46	1,654.92
	PARK MAINTENANCE I				
	W & S WORKER II				
11	BUILDING MTN. SUP. II	A	45,022	45,375	45,737
	FORESTRY TECHNICIAN	H	21.645	21.815	21.989
	HEAVY EQUIP. OPERATOR	BW	1,731.62	1,745.19	1,759.12
	PARK MAINTENANCE II				
	SIGN TECHNICAIN				
	W & S MAINTENANCE				
12	MECHANIC	A	46,084	46,442	46,796
	W & S TECHNICIAN	H	22.156	22.328	22.498
		BW	1,772.46	1,786.23	1,799.85
13	CODE COMPLIANCE OFFICER I	A	49,034	49,385	49,745
	HEAD MECHANIC	H	23.574	23.743	23.916
	PARK MAINTENANCE SUPERVISOR	BW	1,885.92	1,899.42	1,913.27
	RESIDENT APPRAISER I				
	WORK LEADER				
14	CODE COMPLIANCE OFFICER II	A	51,989	52,344	52,697
	LEAD MECHANIC	H	24.995	25.165	25.335
		BW	1,999.58	2,013.23	2,026.81
15	CODE COMPLIANCE OFFICER III	A	55,140	55,496	55,858
	RESIDENT APPRAISER II	H	26.510	26.681	26.855
		BW	2,120.77	2,134.46	2,148.38
16	BUILDING INSPECTOR	A	56,497	56,801	57,214
	ELECTRICAL INSPECTOR	H	27.162	27.308	27.507
	PLUMBING INSPECTOR	BW	2,172.96	2,184.65	2,200.54
17	COMMERCIAL/INDUSTRIUAL APPRAISER	A	57,853	58,157	58,652
	PLAN EXAMINER	H	27.814	27.960	28.198
		BW	2,225.12	2,236.81	2,255.85

TEAMSTERS SALARY AND WAGE SCHEDULE
JULY 1, 2008 - JUNE 30, 2009
CLERICAL (75 HOUR BI-WEEKLY SCHEDULE)

RANGE	CLASSIFICATION		START	SIX MONTHS	ONE YEAR
1	CUSTOMER SERVICE REP I	A	\$ 34,743	\$ 35,102	\$ 35,456
		H	17,817	18,001	18,183
		BW	1,336.27	1,350.08	1,363.69
2	CUSTOMER SERVICE REP II	A	36,103	36,458	36,834
		H	18,514	18,696	18,889
		BW	1,388.58	1,402.23	1,416.69
3	CUSTOMER SERVICE REP III ACCOUNT CLERK I	A	37,174	37,537	37,893
		H	19,064	19,250	19,432
		BW	1,429.77	1,443.73	1,457.42
4	CUSTOMER SERVICE REP IV ACCOUNT CLERK II PLANNING ASSISTANT I	A	38,250	38,607	38,967
		H	19,615	19,798	19,983
		BW	1,471.15	1,484.88	1,498.73
5	ACCOUNT CLERK III PLANNING ASSISTANT II	A	39,323	39,679	40,040
		H	20,166	20,348	20,533
		BW	1,512.42	1,526.12	1,540.00
6	ACCOUNT CLERK IV	A	40,957	41,331	41,703
		H	21,004	21,195	21,386
		BW	1,575.27	1,589.65	1,603.96
7	PAYROLL COORDINATOR I SENIOR PRINCIPAL CLERK SENIOR CUSTOMER SERVICE REP	A	42,654	43,012	43,366
		H	21,874	22,057	22,239
		BW	1,640.54	1,654.31	1,667.92
8	PAYROLL COORDINATOR II BUILDING PERMIT ANALYST	A	45,375	45,730	46,095
		H	23,269	23,451	23,638
		BW	1,745.19	1,758.85	1,772.88

TEAMSTERS SALARY AND WAGE SCHEDULE
JULY 1, 2008 - JUNE 30, 2009
NON-CLERICAL

RANGE	CLASSIFICATION		START	SIX MONTHS	ONE YEAR
9	LABORER I	A	\$ 40,284	\$ 40,653	\$ 41,019
	TOOL/PARTS CLERK	H	19,367	19,545	19,721
	W & S WORKER I	BW	1,549.38	1,563.58	1,577.65
10	BUILDING MTN. SUP. I	A	43,697	44,065	44,426
	LABORER II	H	21,008	21,185	21,359
	LIGHT EQUIP OPERATOR	BW	1,680.65	1,694.81	1,708.69
	PARK MAINTENANCE I W & S WORKER II				
11	BUILDING MTN. SUP. II	A	46,485	46,850	47,223
	FORESTRY TECHNICIAN	H	22,349	22,524	22,703
	HEAVY EQUIP. OPERATOR	BW	1,787.88	1,801.92	1,816.27
	PARK MAINTENANCE II				
	SIGN TECHNICIAN W & S MAINTENANCE				
12	MECHANIC	A	47,582	47,951	48,317
	W & S TECHNICIAN	H	22,876	23,053	23,229
		BW	1,830.08	1,844.27	1,858.35
13	CODE COMPLIANCE OFFICER I	A	50,628	50,990	51,362
	HEAD MECHANIC	H	24,340	24,514	24,693
	PARK MAINTENANCE SUPERVISOR	BW	1,947.23	1,961.15	1,975.46
	RESIDENT APPRAISER I				
	WORK LEADER				
14	CODE COMPLIANCE OFFICER II	A	53,679	54,045	54,410
	LEAD MECHANIC	H	25,807	25,983	26,159
		BW	2,064.58	2,078.65	2,092.69
15	CODE COMPLIANCE OFFICER III	A	56,932	57,300	57,673
	RESIDENT APPRAISER II	H	27,371	27,548	27,727
		BW	2,189.69	2,203.85	2,218.19
16	BUILDING INSPECTOR	A	58,333	58,647	59,073
	ELECTRICAL INSPECTOR	H	28,045	28,196	28,400
	PLUMBING INSPECTOR	BW	2,243.58	2,255.65	2,272.04
17	COMMERCIAL/INDUSTRIAL APPRAISER	A	59,733	60,047	60,558
	PLAN EXAMINER	H	28,718	28,869	29,114
		BW	2,297.42	2,309.50	2,329.15

RESTRICTED ASSIGNMENTS

Section 1. A City of Novi full time employee who is unable to perform the essential functions of his/her regular job assignment as demonstrated by medical evidence due to a duty or non-duty related disability, may be eligible for a restricted assignment.

A. **Non-Duty:** An employee may be eligible for a non-duty restricted assignment only after the employee has utilized all of his/her accrued sick leave, during the six month period following the date of the disability. After the date on which the employee has utilized all accrued sick leave benefits, or thirty (30) calendar days after the date of disability, whichever date is later, the employee may request a restricted assignment.

In the event of a progressive disability, verified through medical evidence in accordance with Section 6 and 7 below, the employee, at the employees option, may request a non-duty restricted assignment without first exhausting his/her accrued sick leave or completing the thirty (30) day waiting period.

B. **Duty:** An employee may be eligible for a duty restricted assignment at which time it is verified through medical evidence of the employer's physician.

Section 2. The request for restricted assignments will be considered upon the submission of the medical documentation set forth in Section 6 below. The City may require additional medical documentation as set forth in Section 7 below before considering the request.

Section 3. The number, if any, and the duration of restricted assignment positions available at any time shall be within the sole discretion of the Department. The functions, duties and scheduling of the restricted assignments shall be determined by the Department. The Department reserves the sole right to modify and/or eliminate restricted assignment positions.

Section 4. If a restricted assignment is available as determined by the Department and the employee is medically able to perform the functions of the restricted assignment, the employee may return to work at his/her regular base salary in the restricted assignment.

Section 5. Non-duty restricted assignments may be granted only during the six month period immediately following the date of disability. All restricted assignments are subject to the following conditions:

- A. The employee continues to be disabled as defined in Section 1.
- B. The restricted assignment continues to be available as determined by the Department.
- C. The employee performs satisfactorily in the restricted assignment as determined within the sole discretion of the City.
- D. The City receives all of the medical information it deems necessary pursuant to Sections 6 and 7.

- E. Each non-duty restricted assignment will continue for no more than six months following the date of the employee's disability. Each duty related assignment will continue for no more than one year following the date of the employee's disability.

Section 6. The City may require the employee to periodically submit detailed medical information from the employee's physician to determine whether the employee is disabled from performing the essential job functions, with or without accommodation, of his/her regular job assignment and/or to determine whether the employee can perform the duties and functions of the restricted assignment.

Section 7. The City may require the employee to submit to physical and/or mental tests and examinations by the City appointed physician to determine whether the employee is disabled from performing the essential job functions, with or without accommodation, of his/her regular job assignment and/or to determine whether the employee can perform the duties and functions of the restricted assignment. The City will pay the costs of such tests and examinations.

6/21/99

CITY OF NOVI EMPLOYEE TUITION PROGRAM

PURPOSE: The Tuition Reimbursement program is designed to encourage employee self-improvement, thereby increasing their value to the City by pursuing courses of study related to their work.

ADMINISTRATION OF PROGRAM: It shall be the responsibility of the Personnel Department to administer this program. This administration shall as a minimum include preparation of the General Fund budget, review and approval or denial of all tuition requests, maintenance of all program records, and the monitoring and periodic evaluation of the program.

PROGRAM GUIDELINES:

1. The approval of all tuition requests shall be contingent upon the availability of funding.
2. Continuation of this program shall be the sole option of the City Council.
3. All Full-time, permanent employees of the City of Novi shall be eligible.
4. The Personnel Director prior to the date of enrollment must authorize all classes.
5. All payments under this program are on a reimbursement basis, and documentation of fees and a minimum grade of "C" are required prior to reimbursement.
6. All classes must relate to the employee's current position or a future position to which the employee might be promoted within their present department.
7. Reimbursable costs may consist of tuition, related fees, textbooks, and other charges which are required for completion.
8.

Administration Staff	\$1,500	per fiscal year
Teamster Union	\$1,500	per fiscal year
C.O.A.M. Union	\$1,200	per fiscal year
P.O.A.M. Police Officers Union	\$1,200	per fiscal year
P.O.A.M. Dispatchers/Clerks	\$1,200	per fiscal year
Novi Fire Fighters Union	\$ 750	per fiscal year
9. The last day of the semester during which the class is taken shall determine the fiscal year against which the tuition payment is credited.
10. In the event the employee leaves the employ of the City of Novi within one (1) year from the last day of the semester during which the class was taken, the employee shall reimburse the City of Novi for such payments by having the amount deducted from their final paycheck (s).



January 24, 2006

Mr. Frank Weber
Teamsters Local 214
2825 Trumbull Ave
Detroit, MI 48216-1290

Re: Negotiations

Dear Mr. Weber:

Pursuant to your request today during our negotiation session, I hope you will find the information identified below helpful:

- 1) The Actuary Report dated May 26, 2005, which was based upon a 12/31/04 actuarial valuation, has now expired. The actuarial computed amount for the Teamster group to increase their pension multiplier from a B-2 (2%) to a B-3 (2.25%) was calculated to be approximately 2% of their salary. I will be ordering a new Actuary Study by March 1, 2006, which will provide your members with a current cost for the B-3 pension improvement which will be paid in full through their contribution. I will advise you at that time of the cost for this supplemental valuation. Upon receipt of the Actuarial Valuation, I will contact you with that information so that you may provide this to your membership.
- 2) As for your issues/concerns regarding the managed care health providers, specifically, HAP, BCN and M-Care, and how the Family Continuation Coverage rider is charged, there is currently no charge by the provider for this coverage/rider. The City agrees, for the duration of this Contract, not to request, solicit, or negotiate the way in which this rider is charged. I cannot, however, guarantee that the individual providers may, through their own business practices and/or policies, inform us of a change in this regard. The City will not, however, initiate a change regarding the practice of how these rates are broken down and/or charged to the policy holder for the duration of this Contract.

Should you have any other questions regarding these or any other issues, please do not hesitate to contact me.

Very truly yours,

Tia Gronlund-Fox
Director of Human Resources

CITY COUNCIL

Mayor
David B. Landry

Mayor Pro Tem
Kim Capello

Bob Gatt

Terry K. Margolis

Andrew Mutch

Toni Nagy

Lynne Paul

City Manager
Richard Helwig

City Clerk
Maryanne Cornelius

