

A G R E E M E N T

BETWEEN

CITY OF FARMINGTON HILLS, MICHIGAN

and

TEAMSTERS, STATE, COUNTY AND MUNICIPAL WORKERS, LOCAL 214

EFFECTIVE: JULY 1, 2003 to JUNE 30, 2007

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P R E A M B L E

THIS AGREEMENT, entered into on this _____ day of _____, 2003, between the City of Farmington Hills, Michigan, party of the first part, hereinafter referred to as the "City", and the Teamsters, State, County and Municipal Workers, Local 214, party of the second part, hereinafter referred to as the "Union."

WHEREAS, the parties recognize that the interest of the community and the job security of the employees depend upon the City's success in establishing a proper service to the public, and

WHEREAS, the City and the Union have bargained collectively, in accordance with Michigan Public Act 379, MPA of 1965 as amended, and have reached certain agreements with respect to wages, hours, and other terms and conditions of employment with respect to the bargaining unit as defined herein, and

WHEREAS, the City and the Union now desire to execute a written agreement which incorporates their agreements,

NOW, THEREFORE, THE PARTIES HERETO MUTUALLY AGREE AS FOLLOWS:

ARTICLE I - RECOGNITION

SECTION A. The City hereby recognizes the Union as the exclusive bargaining representative, as defined in Section 11 of Act 379, Public Acts of 1965, for the duration of this Agreement for all Division of Public Works Maintenance Supervisors, Fleet & Facilities Maintenance Supervisor, Chief Engineering Inspector, Staff Planner I/II, City Planner, Building Official, Zoning Office Supervisor, Recreation Superintendent, Secretaries, Executive Secretaries, Administrative Secretaries, Deputy Treasurer, Account Processing Supervisor, Park Maintenance Supervisor, Senior Adult Program Supervisor, Recreation Supervisor, Golf Course and Grounds Maintenance Superintendent, Park Maintenance Superintendent, Building Maintenance Supervisor, Recreation Programmer, Recreations Specialist, Senior Adult Program Coordinator, Parks and Recreation Administrative Assistant, Records Division Supervisor, Facilities Supervisor, Facilities Coordinator, Youth Program Supervisor, Retail Supervisor, Golf Course Maintenance Supervisor, Arena Maintenance Supervisor, and Dispatch Supervisor employed by the City of Farmington Hills, Michigan. But excluding: All executive employees, including the City Manager, Chief of Police, Fire Chief, Director of Public Services, Finance Director, Personnel Director, City Clerk, Director of Special Services, Division of Public Works Superintendent, Administrative Assistant to the City Manager, Administrative Assistant to the Director of Public Services, Assessing Officer, Controller, Senior Engineer, Purchasing Agent, Deputy Clerk, Building and Zoning Superintendent, Building Operations Supervisor, all confidential employees including the Executive Secretary to the City Manager, Secretary to the Finance Director, Secretary to the Director of Public Services, Chief of Police, Ice Arena Manager, Assistant Ice Arena Manager, Economic Development Coordinator, and all other City employees.

SECTION B. Unless otherwise indicated, the term "employee" when used in this Agreement, will refer to employees in the unit for bargaining as defined in Section A.

SECTION C. The City agrees not to negotiate for the duration of this Agreement with any other labor organization other than the Union designated as the representative pursuant to Act 379 of the Michigan Public Acts of 1965, with respect to the employees in the unit defined in Section A. Nothing contained herein shall be construed to prevent any individual employee from presenting a grievance and having it adjusted without intervention of the Union, if adjustment is not inconsistent with the terms of this

Agreement, provided that the Union has been given an opportunity to be present at such adjustment.

SECTION D. The recognition of the Union by the City is limited to those matters for which a labor organization is entitled to bargain under Act 336, PA 1947, as amended. The Union is not authorized to interfere in any way with the operation of the City.

ARTICLE II - DUES CHECKOFF

SECTION A. During the life of this Agreement, the Employer agrees to deduct Union membership dues levied in accordance with the Constitution and By-laws of the Union from the pay of each employee who executes and files with the City Treasurer a written authorization for such deductions. Such authorization form shall be prepared and furnished to the employees by the Union and shall, as a minimum, recite that the City is authorized to deduct union dues in effect from time to time from the pay of the particular employee and forward such sum to the Union in accordance with the terms of this Contract. The Union is to notify the City as to the amount of Union dues and of any changes, said notification to be made at least thirty (30) days before said dues are to be deducted.

SECTION B. The City shall have no responsibility for the collection of initiation fees, special assessments or any other deduction not in accordance with this Article.

SECTION C. A properly executed copy of the authorization for deduction of dues shall be delivered to the City Treasurer by the employee before any payroll deductions are made. Deductions shall be made thereafter effective at the time the application is delivered to the City Treasurer and shall be deducted from the second pay of the month and each month thereafter, providing that the authorization form shall be delivered prior to the 15th of the month in which the first deduction is to be made.

SECTION D. Deductions for any calendar month shall be remitted to the designated Financial Officer of the Union as soon as possible after the 10th day of the following month.

SECTION E. Authorization for deduction of dues shall be irrevocable by the employee during the term of this Contract or any renewal hereof, unless the employee cancels his authorization within ten (10) days prior to the expiration of the Contract or any renewal hereof. Deductions of membership dues shall terminate with respect to any employee who is no longer a member of the Bargaining Unit.

SECTION F. The City shall not be liable to the Union 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, claims, demands and suits to which the City may be put by reason of its voluntary agreement to deduct membership dues.

SECTION G. Remittance of Dues to Financial Officer. Deductions for any calendar month shall be remitted to the designated Financial Officer of the Union with a list for whom membership dues have been deducted.

ARTICLE III - SCOPE OF CONTRACT

SECTION A. This Contract includes each and every agreement entered into between the City and the Union with respect to those subjects for which the Union is authorized to act as a representative of the Bargaining Unit. Matters not specifically included within this Contract shall be governed by the provisions of the Municipal Code and the rules and regulations which are promulgated thereunder, as well as the laws of the State of Michigan.

SECTION B. Nothing herein contained shall be held to restrict or impair the right of the City, as Employer, to direct the work of its employees, and to establish reasonable rules and regulations relating to the performance of that work, where such rules and regulations are not inconsistent with the terms of this Agreement. The Union shall be entitled at reasonable times to confer with the appropriate officers of the City with respect to work loads, work assignments and other conditions of employment, not specifically provided for in this Contract and of which the City has retained jurisdiction in this Section.

SECTION C. Nothing in this Contract shall be held to conflict with the laws of the United States and the State of Michigan including, but not limited to Veterans' preferences, wage and hour laws, Workers' Compensation or employment compensation laws or other similar laws, it not being intended hereunder to limit the rights of employees afforded by such laws in any way.

SECTION D. The City on its own behalf and on behalf of its Electors, hereby retains and reserves unto itself, all powers, rights, authority, duties and responsibilities conferred upon and vested in it by the laws and the Constitution of the State of Michigan and of the United States. Further, all rights which ordinarily vest in and are exercised by employers are reserved to and remain vested in the City, including, but without limiting the generality of the foregoing, the right: (a) to manage its affairs efficiently and economically, including the determination of quantity and quality of services to be rendered to the public, the control of equipment to be used, and the discontinuance of any services or methods of operations; (b) to introduce new equipment, methods, or processes, change or eliminate existing equipment and institute technological changes, decide on supplies and equipment to be purchased; (c) to direct the work force, to assign the type and location of work assignments and determine the number of employees assigned to operations; (d) to determine the number, location, and type of facilities and installations; (e) to determine the size of the work force and increase or decrease its size; (f) to hire new employees, to assign and lay off employees; (g) to establish and change work schedules, work standards, and the methods, processes, and procedures by which such work is to be performed; (h) to discipline, suspend, and discharge employees for cause. The City reserves the foregoing rights except such as are specifically relinquished or modified by the terms of this Agreement.

It is agreed that these enumerations of management prerogatives shall not be deemed to exclude other prerogatives not enumerated, and except as specifically abridged, delegated, modified, or granted by this Agreement, all of the rights, powers, authority the City had prior to the signing of this Agreement are retained by the City.

SECTION E. Except as expressly provided otherwise by the terms of this Agreement, the determination and administration of City Policy, the operation of the City and the direction of the employees are vested exclusively in the City.

ARTICLE IV - BULLETIN BOARD

SECTION A. The City shall provide the Union with a bulletin board for posting of notices set forth in Section B, below, provided such notices are initialed by a Union Steward. The Union will submit one (1) copy of said notice to the City Manager or his designee prior to being posted on the bulletin board.

SECTION B. Notices shall be restricted to the following types:

1. Notices of Union social and recreational events.
2. Notices of Union elections, appointments, and results thereof.

3. Notices of Union meetings.
4. Notices of Union education classes, conferences or conventions.

SECTION C. The bulletin board shall not be used by the Union or its members for disseminating derogatory or political matter of any kind whatsoever.

ARTICLE V - SPECIAL CONFERENCES

Special conferences for important matters will be arranged between the Union and the City or its designated representative(s) upon the mutual agreement of the parties. Such meetings shall be between no more than two (2) representatives of the Union and two (2) representatives of the City unless otherwise agreed. Arrangements for such special conferences shall be made in advance and an agenda of the matters to be taken up at the meeting, as well as, the names of the representatives of the party proposing the meeting who will be in attendance shall be presented at the time the conference is requested. Matters taken up in special conference shall be confined to those included in the agenda. Conferences shall be held at mutually agreeable hours. The employee Union representative(s) shall not lose pay for time spent in the special conferences.

ARTICLE VI - REPRESENTATION

SECTION A. The City recognizes the right of the Union to designate one (1) Steward and one (1) Alternate who shall be regular seniority employees of the City. The Alternate may exercise the rights of a Steward set forth in this Article only in the event the Steward is absent from work or otherwise unable to act.

SECTION B. The City will recognize the Steward or Alternate when his name and position have been certified in writing by the Union to the City Manager.

SECTION C. The Steward (or Alternate) shall be permitted reasonable time during his regular working hours to process and present contract grievances as provided in Article IX Grievance Procedure upon having received permission from the City Manager or his designated representative. It is understood that such time shall be devoted to the proper presentation of grievances and the privileges of this Section shall not be abused.

SECTION D. All necessary time lost by the Union Steward (or Alternate) during his regular, straight time shift, because of grievance processing in accordance with Section C of this Article, shall be paid for by the City at the employee's regular, straight time hourly rate. It is understood that this only applies to time lost during the Union Steward's (or Alternate's) normal, scheduled work time, and does not apply to grievance activity during his non-work hours or after the scheduled work time.

SECTION E. The Union, its officers, Stewards and Alternates shall not assume unauthorized supervisory authority or advise direct employees to disregard the instructions of supervision or engage in any activity prohibited by Article X - No Strike Clause.

ARTICLE VII - CITY AND DEPARTMENTAL RULES

SECTION A. Upon approval of the City Manager, the City may adopt, publish, change, amend and enforce reasonable City and/or departmental rules and regulations, not in conflict with the terms of this Agreement governing discipline, health and safety, duties, rules of conduct and work rules.

SECTION B. New or amended work rules and/or regulations will be announced five (5) days prior to their effective date.

ARTICLE VIII - DISCIPLINE AND DISCHARGE

SECTION A. The City shall retain the sole right to establish, adopt, publish, change, amend and enforce reasonable rules for employees to follow, the right to warn, reprimand, layoff, discharge, demote, or transfer any and all employees who violate these rules.

SECTION B. New or amended rules governing discipline will be published five (5) working days prior to their effective date.

SECTION C. The Union and the City recognize the importance of the protection of information concerning the operation of the City. All information gathered or heard officially or unofficially in the course of performing the duties and responsibilities of his position shall be held to be strictly confidential by employees in the Bargaining Unit and shall not be used for personal benefit or gain.

SECTION D. No seniority employee will be disciplined or discharged for arbitrary and capricious reasons.

ARTICLE IX - GRIEVANCE PROCEDURE

SECTION A. A grievance is defined as an alleged violation of a specific Article and Section of this Agreement. If any such grievance arises during the term of this Agreement, there shall be no stoppage or suspension of work but such grievance may be submitted to the following Grievance Procedure:

SECTION B. Step One. Within five (5) working days of the time a grievance arises, an employee may present the grievance orally to his immediate supervisor. The employee's Steward may be in attendance if the employee so requests.

Step Two. If the grievance is not resolved in Step One, the employee may reduce the grievance to writing and present the grievance to the employee's Department Head for a written answer. The written grievance shall be filed within ten (10) working days of the alleged violation. It shall name the employee(s) involved, shall state the facts giving rise to the grievance, shall identify all 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 these provisions, shall indicate the relief requested, and shall be signed by the employee. The Department Head shall give the employee an answer in writing no later than five (5) working days after receipt of the written grievance.

Step Three. If the grievance is not resolved in Step Two, the Union may, within five (5) working days after the answer in Step Two, submit a written appeal to the City Manager for his written answer. The appeal shall contain the reasons for the appeal and a copy of the Department Head's decision in Step Two. The City Manager or his designated representative shall answer the grievance in writing within twenty (20) working days. Additional time may be allowed by mutual written agreement of the City and the Union.

SECTION C. All grievances must be filed at Step Two, in writing, within ten (10) working days from the time the alleged violation was to have occurred or they will be deemed waived. Any grievance not filed within the prescribed time limit or not advanced to the next Step by the employee or the Union within the time limit in that Step, shall be deemed abandoned. If the City does not answer a grievance within time limits prescribed in this Article, the grievance will be considered automatically referred to the next Step of the Grievance Procedure. Time limits may be extended by the City and Union in writing; then the new date shall prevail.

SECTION D. The City shall not be required to pay back wages for more than five (5) days prior to the date a written grievance is filed at Step Two.

1. All claims for back wages shall be limited to the amount of wages that the employee would otherwise have earned at his regular rate, less any unemployment or other compensation that he may have received from any source during the period of back pay.
2. No decision in any one case shall require a retroactive wage adjustment in any other case, unless such case has been designated as a representative case by mutual written agreement by the parties.

SECTION E. Any grievance occurring during the period between the termination of this Agreement and the effective date of a new Agreement shall not be processed. Any grievance which arose prior to the effective date of the Agreement shall not be processed.

SECTION F. Any Agreement reached between management and Union representative(s) is binding on all employees affected and cannot be changed by any individual.

SECTION G. Workdays, for purposes of this Article, shall be Monday, Tuesday, Wednesday, Thursday and Friday, excluding observed holidays.

SECTION H. The sole remedy available to any employees for any alleged breach of this Agreement or any alleged violation of his rights hereunder will be pursuant to the Grievance Procedure; provided that if any employee elects to pursue any legal or statutory remedy, such election will bar any further or subsequent proceedings for relief under the provisions of this Article.

SECTION I. If the grievance is not resolved at Step Three of the Grievance Procedure, and if it involves an alleged violation of specific Article and Section of the Agreement, the Union may submit the grievance to the American Arbitration Association with written notice delivered to the City Manager within ten (10) working days after receipt of the City Manager's answer in Step Three, or the day such answer was due. 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(s) involved, and the City.

SECTION J. It shall be the function of the Arbitrator, and he shall be empowered, except as his powers are limited below, after proper hearing, to make a decision in cases of alleged violation of the specific Articles and Sections of this Agreement.

1. He shall have no power to add to, subtract from, disregard, alter, or modify any of the terms of this Agreement.
2. He shall have no power to establish salary scales or change any salary.

His powers shall be limited to deciding whether the City has violated the express articles or sections of this Agreement; it being understood that any matter not specifically set forth herein remains within the reserved rights of the City.

He shall have no power to decide any questions which, under this Agreement, are within the responsibility of management to decide, except as they may be specifically conditioned by this Agreement.

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 has no power to rule, it shall be referred back to the parties without decision or recommendation on its merits.

If the Arbitrator's decision is within the scope of his authority as set forth above, it shall be final and binding on the Union, its members, the employee or employees involved, and the City.

The fees and expenses of the Arbitrator shall be shared equally by the City and the Union. All other expenses shall be borne by the party incurring them.

SECTION K. At the time of the Arbitration Hearing, both the City and the Union shall have the right to call any employees as a witness and to examine and cross-examine witnesses. Each party shall be responsible for the expenses of the witnesses that they may call. Upon request of either the City or the Union, or the Arbitrator, a transcript of the Hearing shall be made and furnished the Arbitrator with the City and the Union having an opportunity to purchase their own copy. At the close of the Hearing, the Arbitrator shall afford the City and the Union a reasonable opportunity to furnish Briefs. The Arbitrator will render his decision within thirty (30) days from the date the Hearing is closed or the date the parties submit their Briefs, whichever date is later.

Discipline or discharge cases will be handled through the normal steps of the Grievance Procedure, except, that in cases of discharge, the Union may bypass Step 1 and appeal the matter directly to the City Manager's step of the Grievance Procedure.

The time limits set forth in this Article may be extended by mutual agreement, in writing, of the City and the Union.

Unless otherwise agreed, arbitration hearings will be held in the City of Farmington Hills offices or in the vicinity. In the event employees in the Bargaining Unit are called as witnesses, they shall not lose time for travel to and from the hearing, or for time spent in testifying. However, the Union recognizes that should it call witnesses who are required to be present through the entire hearing, the City shall not be responsible for such expense.

ARTICLE X - NO-STRIKE CLAUSE

SECTION A. During the life of this Agreement, the Union shall not cause, authorize, sanction or condone, nor shall any member of the Union take part in any strike, sit-down, stay-in, slow down, work stoppage, curtailment of work, concerted improper use of paid leave time, restriction of work, or interference with the operations of the City, including a labor dispute between the City and any other labor organization.

SECTION B. 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.

SECTION C. 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.

ARTICLE XI - CLASS SPECIFICATIONS

SECTION A. The City reserves the sole right to determine the minimum qualifications for each class of position. The City also reserves the sole right to establish and use such written examinations and physical qualification standards as it deems necessary for the hiring, promotion, or transfer into each job classification as well as the right to establish the minimum acceptable level of performance on any such examination. The City reserves the right to establish the minimum requirements for each classification of positions. While periodic revisions may be made in such standards, the City will endeavor to uniformly apply the standards to the employees involved at the time of the particular hiring, promotion or transfer into each classification.

SECTION B. It is understood that the designation of classifications set forth in Appendix "A" are recognized for wage purposes only and that the classification titles are intended as an illustrative summary of one type of duty and responsibility associated with the various classifications. It is understood that the designation of classifications shall not constitute a designation of job content and related duties may be added or deleted.

SECTION C. The City will establish class specifications outlining the general job duties and responsibilities of each classification along with illustrative examples of work and minimum qualifications therefore. The City will continue to have the right to adopt, publish, add to, subtract from, alter, change or amend the class specifications.

ARTICLE XII - NEW OR CHANGED JOBS

When a new job is placed in existence which cannot be properly placed in the existing classification and rate structure, or a new classification is established, or an existing classification is changed or combined with another classification, or job duties or responsibilities are changed, to the extent that materially different skills and responsibilities are required, the Union will be notified in writing. The City will, after written notice to the Steward, establish a rate for the new classification, which shall be considered temporary for a period of fifteen (15) days following the date of notification to the Union. During this period, the Union may request in writing a meeting with the City to confer on the matter. If a new rate is agreed upon, it shall be applied retroactive to the first day the employee began work on the job unless otherwise agreed to. If no written request is filed within the fifteen (15) day period, the rate shall become permanent at the end of such period. In the event the parties are unable to reach an agreement on the salary rate for the new classification, the dispute may be submitted to the Grievance Procedure; provided that such grievance must be submitted in writing no later than thirty (30) days following the date of notification to the Union.

ARTICLE XIII - SENIORITY

SECTION A. Seniority shall be on the basis of the classification of the employee within his Department in accordance with the employee's last date of hire by the City. Seniority for employees hired on the same date shall be determined by alphabetical order of surnames.

SECTION B. New employees hired after the effective date of this Agreement in the Bargaining Unit shall be considered as probationary employees for the first six (6) months of their employment. The probationary period may be extended for an additional three (3) months at the option of the City, notice of which shall be made in writing to the employee and the Steward prior to the expiration of the original probationary period. The probationary period shall be accumulated within not more than one year. When an employee finishes the probationary period within not more than one (1) year, his name shall be entered upon the seniority list in the appropriate classification and shall be given a seniority date six (6) or nine (9) months prior to the date he completed his probationary period as the case may be. There shall be no seniority among probationary employees.

SECTION C. While the Union represents probationary employees for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment, and other conditions of employment, the City shall have the sole right to discharge, discipline, transfer, demote or suspend said employees for any reason without regard to the provisions of this Agreement and no grievance shall arise therefrom and no matter concerning such action shall be subject to the grievance procedure.

SECTION D. Upon the signing of the Agreement, the City and the Union will initial an up-to-date seniority list. The City shall also post a copy of the seniority list on the bulletin board and provide a copy to the Union Steward. Any corrections therein must be requested in writing within thirty (30) days thereafter; and, if not so requested, the list shall become final at the end of such period. The City shall continue to furnish the Union an up-to-date seniority list every year upon written request. In no event shall the City be required to pay back-pay by reason of the correction of an error on such list.

SECTION E. An employee shall be terminated and lose his seniority rights if he:

1. Quits.
2. Is discharged and not reinstated.
3. Is laid off for a period of two (2) years.
4. Is absent without a reasonable and legitimate excuse for three (3) consecutive working days and without notice to the City of such excuse within three (3) days or a reasonable and legitimate excuse for failing to so notify the City within three (3) days.
5. Fails to return from a leave of absence at the designated time.
6. Retires.

SECTION F. It shall be the responsibility of each employee to notify the City of any change of address or telephone number. The employee's address and telephone number as it appears on the City's records shall be conclusive and used in connection with the layoffs, recalls, or other notices to employees. This information is for the official use of the City and will be kept confidential.

ARTICLE XIV - LAYOFF AND RECALL

SECTION A. A layoff is a reduction in the working force within a classification within a Department.

SECTION B. In the event of a layoff, the following procedures shall be followed:

1. Probationary employees within the affected classification within the Department will be laid off first.
2. Thereafter, seniority employees with the affected classification within the Department will be laid off according to classification seniority, providing the remaining employees in the classification within the Department can perform the available work.

SECTION C. For purposes of this Article, the term "classification seniority" means the date appearing on the City's records on which an employee began working in a given classification.

SECTION D. Probationary employees shall be considered as terminated rather than laid off in the event of a reduction in work force. There shall be no requirement for the City to rehire. In the event they are rehired at a later date, they shall be treated for all purposes of this Agreement as a new employee.

SECTION E. Temporary adjustments of the work force due to such things as emergencies, breakdown of equipment, fire, flood, power failure, labor disputes, civil disorders, and conditions beyond the control of the Employer may be made without application to the above provisions. If such a temporary adjustment continues for more than five (5) working days, the Union may request the Employer to adjust the working force according to the above Sections, and the Employer will do so within three (3) working days thereafter. The provision will not be used to discipline any employee.

SECTION F. When possible, employees to be laid off for an indefinite period of time shall receive at least thirty (30) calendar days notice of layoff. The Union President shall be notified of the employees being laid off on the same day the notices are issued to the employees.

SECTION G. Employees will be recalled in the reverse order of the layoff, providing the employee can perform the available work. Notice of recall shall be sent to the employee at his last known address by registered or certified mail. If an employee fails to report to work within ten (10) days from the date of mailing of the notice of recall, he shall be considered to have voluntarily left the employment of the City. The City may grant reasonable extensions of this period of time in those cases where the employee for good cause is unable to report to work, but not to exceed an additional twenty (20) days.

ARTICLE XV - TEMPORARY AND PART-TIME EMPLOYEES

SECTION A. Temporary Employees

1. Temporary employees shall be defined as those employees hired on a temporary basis to work full-time for a period not to exceed three (3) consecutive months.
2. A temporary employee substituting for a regular employee on an approved leave of absence will be entitled to work for the entire term of the leave of absence if it exceeds the three (3) month period stipulated in Item 1 above.

3. The total number of temporary employees shall not exceed fifteen (15%) percent of the total work force at any one time.

SECTION B. Part-Time Employees

1. Part-time employees shall be defined as those employees hired on a part-time basis and shall not work more than an average of twenty-four (24) hours per week.

SECTION C. Employees hired part-time or temporary for recreation or special seasonal programs shall not be subject to the limitations of this section.

SECTION D. The employer may have, in addition to the above temporary employees, such employees that are needed at election time.

SECTION E. Temporary and/or part-time employees, during their employment under such status, are not eligible for compensation or fringe benefits other than their rate of pay and shall not be paid at a rate higher than that paid for a full-time employee doing the same or similar work without the written consent of the Union.

ARTICLE XVI - PROMOTIONS

SECTION A. Permanent, full-time job vacancies within the bargaining unit which are to be filled by promotion of present employees will be handled in the manner as hereinafter outlined. Promotions are defined as movement to a position in a higher rated pay classification than the one currently employed in. The City reserves the right to fill said job vacancies on a temporary basis without regard to the provisions of this Article.

1. Notice of said job vacancies will be posted for a period of seven (7) calendar days, setting forth the minimum requirements for the position. Employees interested shall apply in writing within the seven (7) calendar day posting period.
2. Promotions within the bargaining unit shall be made on the basis of seniority, qualifications and ability. When the qualifications and ability of the employees are deemed equal, the most senior employee will be given preference. Bonding requirements, prior work record, experience, and physical fitness shall be considered. If no applicant is selected to fill the vacancy, or no applications are received from employees within the bargaining unit, the City may fill the position from outside the bargain unit.
3. It is understood that vacancies or new positions in any entry level bargaining unit position may be filled in any manner and by any person the City decides upon. Provided, however, where the qualification, ability, skill, interest and work record of a bargaining unit member and a non-bargaining unit member are judged equivalent by management, it is understood and agreed that the bargaining unit member will be awarded the position. A position is an entry level position if there is no other bargaining position subordinate to that position.

SECTION B. The applicant selected for a promotion will serve a trial period of six (6) months. The City may disqualify the employee during the trial period and such employee shall be returned to his former

position or one of similar classification and pay. During the trial period, the employee will receive the starting rate for the new classification or the rate for the new classification next higher than his former rate. Thereafter, the employee will receive the step increases based on the employee's length of service in the new job classification.

SECTION C. A written examination may be provided by the City which shall be free to all employees seeking the available promotion other than probationary employees. The examination shall relate to those matters which shall fairly test the relative capacity of those persons examined to discharge the duties of the office to which they seek to be appointed. Such test shall be furnished by an independent body, which shall assure that the identity of the participants is unknown until final scores have been assigned.

SECTION D. The foregoing conditions do not apply to the employment of employees whose positions are not covered by this collective bargaining contract.

ARTICLE XVII - TRANSFERS

SECTION A. In the event an employee desires a transfer to another department and/or classification, he may file a written request with the City. In making any transfer or in ruling on an employee's request for a transfer, the City will give due consideration to seniority, qualifications, and all other applicable factors.

SECTION B. The City shall have the right to transfer employees from one job, department, or classification to another.

ARTICLE XVIII - HOURS OF EMPLOYMENT

SECTION A. The City reserves the right to schedule the work hours of employees according to the needs of the City's operations. Unless otherwise scheduled by the City, the workweek shall consist of five (5) consecutive days, Monday through Friday, inclusive. The regular working day shall consist of eight (8) hours. Employees shall be entitled to sixty (60) minutes paid lunch period at a time designated by the Department Head during the workday. The employees shall not be entitled to coffee breaks as per present practice but may have coffee provided if same is taken at employee's desk or work site. The City reserves the right to stagger working hours. This Section shall in no way be construed as a guarantee by the City of any amount of work in any period of time or a limitation on the City's right to schedule work in excess of the normal workday or the normal workweek.

SECTION B. Work assignments for employees employed in City Departments which are required to be open and staffed and employees whose work normally is done during hours and/or on days other than those set forth in Section A shall be scheduled by the Department Head in such a way that the employee shall receive at least one hundred and four (104) leave days per year with a minimum of seven (7) days within a thirty (30) day period which are in addition to any other absences otherwise authorized pursuant to this Agreement.

SECTION C. Deductions from an employee's pay shall be made for all absences from work on the days and times stated, except authorized absences as set forth in this Agreement.

SECTION D. During working hours, the employee is to concern himself strictly with the business of the City and the duties of his position. At no time during working hours, shall the employee perform any services or make or receive any telephone calls for other governmental bodies or municipal corporations except for business of the City and in connection with duties of his position with the City.

SECTION E. Each employee shall be at his designated work place ready for work at his scheduled starting time at the start of his workday, after his break period, and after his lunch period.

SECTION F. The City agrees to pay overtime payments as required by Act 154 of the Public Acts of 1964 (MSA 17.255[1]).

SECTION G. Should an employee be required to attend Court or a designated meeting at a time other than normal working hours, he/she will be compensated at an hourly rate equal to one and one-half (1 1/2) times his/her hourly rate, and he/she will be entitled to not less than two (2) hours pay (not less than three (3) hours in the case of court time) regardless of the time actually spent in Court or the designated meeting; provided that in the event an employee is held over in Court or in a meeting beyond the normal quitting time or the employee attends Court or a meeting which goes into the employee's normal working hours, the employee will be compensated at the normal overtime rate and this provision shall not apply. A "designated meeting" is a meeting which the employee is required to attend by his/her supervisor.

SECTION H. Hours of employment for supervisors in the Division of Public Works and in the Parks Division shall continue, as they have always been, to be scheduled in accordance with work schedules of their subordinate personnel. As special consideration for this work schedule, such employees will receive, in addition to their regular compensation, a schedule bonus of \$250.00 per year for each full year in which the employee works at least 90% of the scheduled work days, excluding holidays, vacation days, period of time while an employee is being paid workers compensation, or periods of medical disability involving hospital confinement of up to sixty calendar days. The schedule bonus shall be payable in the third pay period following the end of each fiscal year.

ARTICLE XIX - SALARY

SECTION A. The salaries of employees covered by this Agreement are set forth in Appendix "A" which is attached to and incorporated in this Agreement.

SECTION B. The City will continue to have the right to advance employees to any point on the salary progression schedule at any time prior to the employee's completion of the specified length of service.

SECTION C. Paydays shall be every other Friday. Where a payday falls upon a holiday, payment shall be made on the regular workday preceding such holiday.

ARTICLE XX - LONGEVITY

SECTION A. In addition to the pay provided for in Article XIX, the employee shall receive, on the third payday prior to Christmas in each year, a sum equal to the percentage of his annual rate of pay, based upon his seniority, as set forth below, for the current calendar year. If the employee's length of service classification has changed during the current calendar year, his applicable percentage shall be determined by interpolation.

| SENIORITY | PERCENTAGE OF ANNUAL PAY |
|---------------------------------|---------------------------------|
| Less than 3 years | None |
| 3 years but less than 5 years | 0.5% |
| 5 years but less than 7 years | 1.0% |
| 7 years but less than 10 years | 2.0% |
| 10 years but less than 15 years | 4.0% |

| | |
|---------------------------------|------|
| 15 years but less than 20 years | 6.0% |
| 20 years and over | 8.0% |

SECTION B. In the event that the employee was not employed by the City during the entire current calendar year, such sum shall be prorated upon his actual employment.

SECTION C. Payment shall be made to employee upon lay off, or to his beneficiary upon death which is due and owing him the current calendar year.

ARTICLE XXI - SICK LEAVE

SECTION A. Employees shall be entitled to absence without loss of pay for sickness upon application by the employee. Subject to Sections B and C, an employee may be granted up to fifteen (15) days under this provision in any one fiscal year.

SECTION B. Unused "Sick Leave Days" not taken in any one fiscal year may be accumulated for use in the future, but such accumulation shall not exceed one hundred twenty (120) days, or the number of sick leave days accumulated by the employee as of June 30, 1987, whichever is higher. An employee who retires from City service under its retirement plan or voluntarily resigns in good standing shall receive fifty (50%) percent of all unused accumulated leave under this Section at his then current rate of pay. Upon death of an employee, all unused sick leave will be paid at the rate of fifty percent (50%) to the employee's beneficiary as listed in his life insurance policy.

In addition to the sick leave accumulation set forth above, employees may accumulate reserve sick leave as days are earned in excess of the applicable maximum set forth in this section up to a combined total of one hundred ninety (190) days. Reserve sick leave may be used on the same basis as other sick leave, provided that in no event shall the City make payment for any unused accumulated reserve sick leave; it being understood payments will only be made for the days accumulated as regular sick leave (120 days).

Effective July 1, 1991, after an employee accumulates one hundred twenty (120) sick leave days, they will have the following options:

1. An employee may cash out their unused annual sick leave, up to a maximum of seven and one-half (7 1/2) days (one half of the total fifteen days accrued) at their hourly rate at the time the leave was accrued. Such requests for cashout must be submitted to the Finance Department through the appropriate Department Head within thirty (30) days after the start of a new fiscal year.
2. The employee may have the unused sick leave accrued at a rate of one hundred (100%) percent added to their reserve sick bank, up to a maximum of one hundred ninety (190) days, as set forth in paragraph two of this Section.

In order to be eligible for the annual cashout provision outlined in subsection 1 of this Section, an employee's sick leave bank must remain at a level of at least one hundred twenty (120) days. An employee may not cashout sick leave under the annual cashout provision that would reduce their sick leave bank to a level below one hundred twenty (120) days.

SECTION C. Permanent full-time seniority employees will earn and be credited with one and one-quarter (1 1/4) workdays of sick leave credit for each complete calendar month of service. In order to earn a day and 1/4 of sick leave, an employee must be paid for eighty (80%) percent of the scheduled

working days within the calendar month.

SECTION D. For purposes of computing sick leave pay, a workday shall be considered to be the employee's normal daily scheduled hours paid at the employee's straight-time rate.

SECTION E. The City may require that employees provide specific and detailed medical data from the employee's doctor stating the cause of the absence upon request of the Department Head or whenever sick leave exceeding three (3) consecutive workdays is taken pursuant to this Article. Failure to provide or falsification of such evidence will be cause for discipline. Abuse of sick leave will be cause for disciplinary action. In determining abuse, the City may consider frequency or pattern of usage or the underlying circumstances. Discipline invoked under this Section shall be progressive and corrective in nature. The City may, at its discretion, require that employees submit to physical and mental tests and examinations by a City-appointed doctor whenever sick leave is taken pursuant to this Article, provided, however, that the City will pay the cost of such tests and examinations.

To be eligible for sick leave pay, the employee must be at his residence, or physician's office, during his normal working hours. Such presence must be verifiable by telephone, and answering devices are unacceptable for this purpose. This provision is inapplicable to those cases involving medical disability verified to the satisfaction of the City.

SECTION F. The City reserves the right to require an employee to take an involuntary sick or health leave of absence if the employee suffers from a disability, mental or physical, as shown by medical evidence.

SECTION G. Employees who have exhausted their sick leave credit and are still unable to return to work may be allowed to utilize any unused vacation credits upon written request.

SECTION H. Employees who are laid off shall have available any unused sick leave previously earned, effective at the time they are recalled.

SECTION I. An employee shall be entitled to three (3) personal days per calendar year, (non-cumulative) taken from the accumulated sick leave bank. The days may be taken at the employee's discretion, and unused days shall remain in the sick leave bank, provided that their personal days cannot be used in conjunction with vacations or holidays. The employee must submit a written request at least five (5) working days in advance and receive approval from the Department Head prior to taking the personal leave day; provided that an exception to these requirements may be granted by the Department Head.

SECTION J. The Union may establish a sick leave bank to be used in the event a member exhausts all other leave benefits due to illness or injury. Employees may contribute up to ten (10) hours of sick leave per year for each year of service to the City. These hours may be placed in the sick leave bank as they are needed. Distribution by the Union to full-time employees shall be subject to the approval of the City.

ARTICLE XXII - HOLIDAYS

SECTION A. The following are designated as holidays on which absence from work is authorized:

- | | |
|--------------------------|---|
| 1. Columbus Day | 8. Day following Thanksgiving |
| *2. Day before New Years | *9. Day before Christmas |
| 3. New Years Day | 10. Christmas Day |
| 4. Memorial Day | 11. Veteran's Day |
| 5. Independence Day | 12. Monday prior to Washington's Birthday (the day of federal observation) |
| 6. Labor Day | 13. One-half (1/2) day the afternoon of Good Friday |
| 7. Thanksgiving Day | 14. Martin Luther King Jr. Day |

* When the day falls on a Monday, Tuesday, Wednesday or Thursday. (See Section C). With respect to New Year's Day, Memorial Day, Independence Day and Christmas Day, if the holiday falls on a Sunday, the following Monday shall be deemed the holiday and if the holiday falls on Saturday, the preceding Friday shall be deemed the holiday. The employee will not be paid for a holiday however, if he is absent without leave the full scheduled workday preceding the holiday or the full morning of a half holiday or the full scheduled workday following the holiday.

SECTION B. An employee who is scheduled to work on any holiday set forth above and does not work said day shall receive no holiday pay for such day.

SECTION C. Eve days preceding the New Year's and Christmas Day holidays will be granted on the day preceding such holiday when the day falls on a Monday, Tuesday, Wednesday or Thursday. When New Years and Christmas fall on a Saturday, Sunday or Monday the eve day preceding such holiday will be considered a floating holiday to be scheduled and taken in the same manner as a personal day, Article XXI Section I, and may also be used in conjunction with approved vacation.

Columbus Day and Veteran's Day shall also be considered floating holidays, regardless of the day of the week on which they occur, and taken in the same manner as a vacation day as outlined in Article XXIII, Section B, paragraph 2. Floating Holidays are accrued as of the day on which the actual holiday occurs. They cannot be carried forward to the following fiscal year, nor may they be cashed out.

ARTICLE XXIII - VACATIONS

SECTION A. Employees will be entitled to annual vacations in accordance with the following schedule. Eligibility for vacation shall be determined as of July 1 of each year, provided no employee shall suffer a loss in benefits from April 1 to July 1:

| Service as of July 1 | Days of Vacation for Each Month Worked in the Previous Year | On and After 7/01/80 Maximum Vacation |
|-------------------------|--|--|
| Under 2 years | .833 days | 10 days |
| 2-5 years | 1.00 days | 12 days |
| 6-9 years | 1.25 days | 15 days |
| 10-13 years | 1.42 days | 17 days |
| 14-17 years | 1.58 days | 19 days |
| 18-21 years | 1.75 days | 21 days |
| 22-25 years | 1.92 days | 23 days |
| Over 25 years | 2.08 days | 25 days |

An employee who does not successfully complete his probationary period shall not accrue any vacation benefits.

SECTION B. Except as provided below, vacations must be taken during the period beginning July 1, and ending June 30. Vacations will be granted at such times during the year as are suitable considering both the wishes of the employee and the efficient operation of the City. Vacations will be taken in a period of consecutive days. Vacations may be split into one or two weeks providing such scheduling does not interfere with the operations of the employee's department. Employees required to take compulsory military training shall be allowed to take their vacation at the time such training must be taken. In the event that the employee does not take any or all of the vacation to which he is entitled, in any one year, the department head may allow such unused vacation to be taken during the following fiscal year. If the employee requests, the employee shall be paid for up to two (2) weeks of unused vacation at straight time, at the rate of pay applicable when earned.

An employee must provide advance notice of his requested vacation equal to the length of the requested vacation and in no event less than twenty-four (24) hours.

SECTION C. If a holiday is observed by the City on a day other than Saturday or Sunday during a scheduled vacation, the employee shall be entitled to an additional day of vacation.

SECTION D. If a regular payday falls during an employee's vacation, he may receive that pay in advance before going on vacation, provided however, that he makes a written request to the City Treasurer not less than five (5) days before the effective date of his vacation, or twenty (20) days before the payday in question.

SECTION E. If an employee is laid off or retires or leaves the employ of the City, he will receive any unused vacation credit including that accrued in the current year. A recalled employee who received credit at the time of layoff for the current year will have such credit deducted from his vacation the following year. Upon death of an employee, his beneficiary will receive any unused vacation credit amount.

ARTICLE XXIV - JURY DUTY

A full-time employee with seniority who is called to and reports for jury duty shall be paid by the City for each day or portion thereof spent in performing jury duty if the employee otherwise would have been scheduled to work for the City and does not work, an amount equal to the difference between (1) the employee's regular straight-time hourly rate, exclusive of any premiums for the number of hours spent on jury duty each day up to eight (8) (provided that he otherwise would have been scheduled to work those hours) and (2) the daily jury duty fee paid by the court (not including travel allowances or reimbursement of expenses). The City's obligation to pay an employee for performance of jury duty under this Section is limited to a maximum of thirty (30) days in any calendar year provided that this period may be extended at the discretion of the City Manager.

In order to receive payment under this Article, an employee must give the City prior notice that he has been summoned for jury duty and must furnish satisfactory evidence that jury duty was performed on the days for which he claims such payment. The provisions of this Section are not applicable to any employee who without being summoned, volunteers for jury duty.

The City reserves the right to seek to get the employee excused from jury duty in order to work.

ARTICLE XXV - FUNERAL LEAVE

In case of death occurring in the employee's immediate family requiring his absence and during a duty period, the employee may be granted a leave of absence with pay for such period, not to exceed four (4) consecutive days, one day of which shall be the day of the funeral, as will be necessary in the particular circumstances. The granting of any such leave and the amount thereof shall be approved by the Department Head and the City Manager. "Immediate Family" is defined as (1) the employee's wife, husband, child, brother, sister, parent, or grandparent, or (2) any relative of the employee living in the same household and his mother-in-law and father-in-law.

ARTICLE XXVI - LEAVES OF ABSENCE

SECTION A. 1. No employee shall be eligible for leave of absence until they have completed a probationary period. All requests for leave of absence must be presented in writing to the City Manager and shall include the following pertinent information: Purpose of leave, effective date and duration. Request for such leave shall be answered by the City Manager in writing within five (5) working days.

Such leaves may be granted by the City for periods up to thirty (30) calendar days. Such leaves may be extended upon written approval of the City Manager. All leaves are granted without pay. Seniority shall accumulate for up to thirty (30) calendar days. On leaves of thirty (30) days or less the City will pay all insurance premiums. Employees on leave must report for work not later than the first working day following the expiration of their leave. An employee who seeks and/or obtains employment while on leave of absence will be automatically terminated from the City effective the date the leave of absence started.

2. The City will grant medical leaves of absence for the duration of a personal illness or injury. In the case of personal illness or injury exceeding five (5) working days, a written request for a medical leave must be submitted to the City with a supporting statement from the doctor. The City reserves the right to require that an employee who is on such leave take a physical examination(s) by a City appointed doctor at City expense periodically. An employee returning from sick leave will be returned to a position in line with his seniority providing he is able to perform the available work and he has been released to go to work by the City doctor. Restrictions for "light work", etc. will not be accepted. In case of illness or injury compensable under Workers' Compensation, said leave shall be granted for the duration of the illness or injury subject to the provisions above. In case of all other medical leaves, said leave shall not exceed the length of the employee's seniority at the time of leave or one (1) year, whichever is less.

All leaves are granted without pay. Seniority shall accumulate for up to thirty (30) calendar days. On leaves of thirty (30) days or less the City will pay all insurance premiums. Employees on leave must report for work not later than the first working day following the expiration of their leave. An employee who seeks and/or obtains employment while on leave of absence will be automatically terminated from the City effective the date the leave on absence started.

SECTION B. An employee who enters the Armed Forces of the United States or who is called for reserve duty, National Guard or other branches of the services, covered by the National Selective Service Act, will be granted leaves and other rights as afforded by the Act.

SECTION C. Maternity leave shall be granted as needed. In all cases of pregnancy, an employee shall notify the City Manager by the end of the fourth month of pregnancy, or when pregnancy has been definitely established, whichever is earlier. A pregnant employee shall be permitted to work as long as

her attending physician so recommends, based on his understanding of the specific job (which recommendation shall be in writing, signed by the physician, and placed on file with the employer), or as long as her health permits her to fully discharge her duties, whichever is earlier. The employee must return to work when she is physically able to perform her duties as set forth in Section A.2 above.

In case of dispute between the employee's physician and the City's physician, a mutually agreed upon professional opinion shall be sought to determine whether the employee is physically able to perform her duties.

SECTION D. The Chief Steward shall be granted time off up to five (5) days without compensation to attend the National Union Convention, provided 14 days written notice is given the City Manager specifying the time to be taken off.

SECTION E. The City shall comply with the Family and Medical Leave Act as applicable. Eligible employees will be granted family and medical leave up to a total of 12 weeks absence during any rolling 12 month period for the birth of a child and to care for that child; the placement of a child for adoption or foster care; to care for a spouse, child, or parent with a serious health condition; or the serious health condition of the employee. An employee is entitled to continuation of City health insurance while on approved family and medical leave.

ARTICLE XXVII - INSURANCE

Employees included within the Bargaining Unit shall participate in the following insurance programs whose premiums shall be paid by the City:

SECTION A. The City agrees that for the duration of this Agreement, it will continue to furnish Blue Cross/Blue Shield health insurance (or equivalent) for the permanent full-time employees. Effective May 10, 1994, the basic coverage provided shall be Blue Cross/Blue Shield PPO, the co-pay for prescription drugs will be \$5.00, and the Master Medical will be Option V. Employees who elect coverage under the PPO shall also receive benefits under the MMC-POV Rider. Effective May 10, 1998, the annual deductibles will be up to, but not to exceed \$200 for individual coverage and \$400 for double or family coverage.

Effective May 10, 2001, the City's basic coverage provided shall be made for the following: Blue Cross Blue Shield Community Blue PPO Plan 1, and the co-payment for prescription drugs will be \$10.00.

Effective May, 2004, the basic coverage provided shall be the Blue Cross/Blue Shield Community Blue PPO Plan 1, and the co-payment for prescription drugs will be \$10.00 for generic and \$20.00 for brand (\$10/20). Effective May, 2005, the co-payment for prescription drugs will be \$10.00 for generic and \$40.00 for brand (\$10/40).

Effective May, 2006, employees will contribute toward monthly health insurance premiums in the base plan or any elective plan selected according to the following schedule:

Single: \$25 Double: \$50 Family: \$55

SECTION B. The City agrees that, for the duration of this Agreement, it will pay premiums to furnish permanent full-time employees life insurance in the amount of \$40,000, and to provide short term disability insurance. The weekly disability benefit will be equal to fifty percent (50%) of an employee's weekly gross pay or \$300.00, whichever is greater, but will in no event exceed 65% of an employee's

weekly gross pay.

Weekly disability income insurance will be made available after a thirty (30) day waiting period from the date of disability. An employee must exhaust any accumulated sick leave prior to going on disability pay. An employee may elect to use accumulated vacation time after exhausting sick leave, but prior to going on disability pay. Sick or vacation time may not be used concurrently with disability income benefits. Health insurance will be continued while an employee is collecting weekly disability income benefits.

SECTION C. Employees will receive optical insurance through Blue Cross Blue Shield Vision Service Plan, incorporated herein by reference, or it's equivalent, which includes the provision that an examination with lenses and frames or contacts will be covered as recommended by an optometrist, once every 24 months.

SECTION D. Comprehensive Dental Care Plan with Delta Dental Plan of Michigan in accordance with Plan III of a proposal dated June 26, 1975, including Class III benefits (Orthodontic) incorporated herein by reference. This plan to be effective on the first day of the month following ratification of this Agreement.

Effective July 1, 2001, the maximum payment for Class I and Class II and Class III benefits will increase from \$600.00 per person total benefit per year, to \$1,000.00 per person total benefit year.

SECTION E. An eligible full-time employee shall become insured as soon as permissible under the insurance contract under the insurance plans set forth in this Article, provided, if away from work due to disability, leave of absence, etc. on the date the insurance is to be effective, said employee will be insured upon return to active service.

SECTION F. Except as otherwise provided in this Agreement, the insurance coverage listed above shall be discontinued on the day the employee's services are terminated or quits or retires or the day he goes on any leave of absence or is laid off, provided that, subject to the approval of the insurance carrier, said coverage will continue for that period for which the City has prepaid the premium for such employee.

SECTION G. Eligibility, coverage and benefits under the above insurance plan are subject to the terms and conditions including any waiting period or other time limits, contained in the contracts between the City and the carrier. Any rebates or refunds on premiums paid by the City shall accrue to the City. With reference to the insurance set forth above, the City will continue to have the right to select the carrier, to change carriers and to become self-insured, provided that there shall be no reduction of benefits. It is further agreed that the only liability assumed under this Article is to pay the premiums as provided herein. Any claim settlement between the employee and the insurance carrier shall not be subject to the grievance procedure.

SECTION H. The City will pay no more for health insurance than the base plan defined in Article XXVII Section A. In the event that the cost of alternative health insurance plans exceeds the cost of the base plan, the employee shall be responsible for such additional costs in addition to the monthly costs outlined in Section A. The employee shall sign a payroll authorization card authorizing such deductions as a condition of eligibility for the alternative insurance benefits.

ARTICLE XXVIII - RETIREMENT

SECTION A. Employees included within the Bargaining Unit shall be entitled, as a condition of employment, to the benefits of the retirement system approved by the Farmington Hills City Council on

August 15, 1988, being Ordinance C-41-88, and subsequent amendments which retirement system is incorporated herein by reference.

SECTION B. Normal retirement shall be at sixty (60) or more years of age with eight (8) or more years of service. Employees who are at least fifty-five (55) years of age may retire with an unreduced pension if the sum of their age and years of service is greater than or equal to eighty (80).

Pension benefit shall be two point eight percent (2.8%) of final average compensation for the first twenty-five (25) years of service and one percent (1.0%) thereafter with the total benefit not to exceed eighty percent (80%) of final average compensation.

Employees shall contribute six (6.0%) percent of the employee's annual salary, which shall include all compensation used to determine average final compensation as defined in this Article. Average final compensation will be based upon the three (3) consecutive highest years of the last ten (10). Average final compensation shall be defined as in the City Pension Ordinance, except that it shall also include annual longevity as a percentage of base pay.

In consideration of the pension improvements negotiated by the parties herein, the Union waives their rights and agrees that pension benefit improvement shall not be a subject of negotiations for a period of six (6) years or two contracts, the longer of the two.

SECTION C. Effective July 1, 1987, the City will pay a health insurance premium stipend for eligible retirees in good standing under the City's retirement system and: (1) who are at least fifty-seven (57) years of age; (2) who have at least twenty-five (25) years of seniority with the City on the date of retirement; and (3) who meet the requirements set forth in this Section C.

1. Effective for retirements occurring after May 10, 1998, the City's stipend payment will be made for the following coverage: Blue Cross/Blue Shield MVF-1 or its equivalent with an annual deductible of up to, but not to exceed, \$200 for individual coverage and \$400 for double coverage; and Master Medical Option I or its equivalent, with a prescription drug rider \$5.00 co-pay.

Effective May 10, 2001, the City's stipend payment will be made for the following coverage: Blue Cross/Blue Shield MVF-1 or its equivalent, Master Medical Option V or its equivalent, prescription drug rider \$10.00 co-pay or its equivalent, and annual deductibles of up to \$200 for single coverage, and \$400 for double coverage.

Effective May, 2004, the City's stipend payment will be made for the following coverage: Blue Cross/Blue Shield Community Blue PPO Plan 1, or its equivalent, prescription drug rider \$10.00 for generic and \$20.00 for brand (\$10/20) co-pay. Effective May, 2005, the drug rider will be \$10.00 for generic and \$40.00 for brand (\$10/40).

2. The City's stipend payment will be made for the eligible employee and his/her lawful spouse.
3. The City will pay a health insurance premium stipend as specified in Section D. Any additional premium costs shall be the obligation of the retiree. To continue his/her eligibility under this Article, the retiree must remit the retiree's share of the premium cost to the City Treasurer one month in advance.

4. There shall be a coordination of benefits with any other health insurance held by the retiree or the retiree's spouse. The City insurance plan shall be considered the secondary insurance.
5. The retiree and/or spouse must apply for Medicare (or any other government sponsored program) when eligible. There shall be a coordination of benefits with Medicare (or any other government sponsored program).
6. Any funds established by the City shall be vested in the City, and no employee 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.
7. The retiree shall cease to be eligible for the program set forth above during such periods of time that the retiree is actively employed and covered by his/her employer's health insurance program.
8. "Spouse" for purposes of this Article is defined as the employee's lawful husband or wife at date of retirement. In the event the employee selects one of the survivorship options, the spouse will continue to be eligible for the benefits of this Article as long as he/she continues to be eligible for and receive the survivorship pension benefits.
9. An employee, who receives a disability retirement under the terms of the City's retirement plan, will receive the health insurance benefit set forth above.
10. This provision shall only apply to retirements which occur on or after July 1, 1987.

SECTION D. For retirements occurring after July 1, 1993, the City will pay a health insurance premium stipend for eligible retirees in good standing under the City's Retirement System in accordance with the following schedule:

| Minimum Age on Date of Retirement | Minimum Years of Seniority with City On Date of Retirement | Maximum Monthly City Contribution |
|--|---|--|
| 60 | 15 | \$400.00 (partial benefit) |
| 60 | 20 | \$600.00 (full benefit) |
| 57 | 25 | \$600.00 (full benefit) |

Requirements, coverage, eligibility, and benefits are as otherwise set forth in Section C. of this Article.

Effective July 1, 1997, in addition to the eligibility conditions already outlined in this Section, employees who are at least fifty-five (55) years of age may retire with the full health insurance benefit as defined in this Section if the sum of their age and years of service is greater than or equal to eighty (80).

Effective July 1, 2000, the City shall pay the full cost of actual premiums for employees who are at least fifty-five (55) years of age and have obtained a minimum of twenty (20) years of service, if the sum of their age and years of service is greater than or equal to eighty (80)

SECTION E. For retirements occurring after January 1, 1991, the City will pay the full monthly premium costs at the time the retiree attains eligibility age for Medicare for those retirees eligible for full health insurance benefits.

SECTION F. Death-In-Service Benefits. A pension shall be paid for life to the surviving spouse of a deceased employee if each of the following conditions are met:

1. the employee has ten (10) or more years of credited service;
2. the employee was married to the surviving spouse at the time of the employee's death;
3. the employee died while an active employee of the City.

The amount of an eligible surviving spouse's benefit shall be the same pension to which the spouse would have been eligible if said employee had retired the day preceding the employee's death; elected form of payment A; and nominated the said spouse as survivor beneficiary. The benefit shall become payable at the time of death.

SECTION G. The City shall provide a health insurance stipend waiver allowance, in lieu of retirement health insurance benefits, to eligible retirees who provide evidence of other current health insurance coverage. Retirees normally eligible for a double contract shall be eligible for a monthly cash waiver allowance equal to the cost of a single contract. Retirees normally eligible for a single contract shall be eligible for a monthly cash waiver allowance equal to one-half (1/2) the cost of a single contract. Application of the retiree waiver allowance program shall otherwise be subject to provisions of the City's waiver allowance program currently in effect for the active employees, the current City pension ordinance, and the current collective bargaining agreement.

The cost of a single contract shall be determined by averaging the cost of single group health insurance contracts by all providers, including health maintenance organizations and preferred provider networks, The waiver allowance for retirees may not exceed the waiver allowance for active employees.

ARTICLE XXIX - ON-THE-JOB INJURY

SECTION A. Partial Use of Sick Leave for Employees Injured in the Line of Duty. An employee with accumulated sick leave who is unable to work as a result of an injury or sickness arising out of and in the course of his employment with the City and notice of which injury shall have been given the City as required, shall receive full pay until his accumulated sick leave is exhausted, in the following manner:

1. The first one hundred and thirty (130) workdays not to be deducted from employee's accumulated sick time on any one injury or sickness.
2. The full pay shall be effected by paying such employee an amount which, together with the weekly Workers' Compensation benefits to which he may be entitled, shall equal his regular pay on the basis of his average standard workweek, exclusive of overtime, at the time of injury.
3. The accumulated sick leave shall be used up at the rate of one hour of sick leave for each two regularly scheduled work hours the employee is absent. Said ratio of one to two shall be applied regardless of the actual ratio of Workers' Compensation benefits to full pay.

The effect of 2 and 3 is to extend sick leave credits and make the same last twice as long for an injury in

the line of duty.

SECTION B. After the exhaustion of sick leave credits, payments consist only of benefits under the Workers' Compensation Act.

SECTION C. Offset and Refund of Workers' Compensation Checks. In no case shall an employee receive for any period of time more, including Workers' Compensation benefits, than eighty-five (85%) percent of his regular take-home pay, the same to be determined at the time of the injury, on the basis of his average standard workweek, exclusive of overtime. Where practicable, this shall be effected by deducting the weekly Workers' Compensation benefit from the amount of sick leave payment otherwise payable. If any Workers' Compensation payments are received by an employee for a period for which the employee has received sick leave payments without deduction for Workers' Compensation, the employee shall refund to the City the Workers' Compensation benefits for such period.

SECTION D. An employee who sustains an injury or incurs an illness while on or off duty, may be returned to work on limited duty at the discretion of the City. His/her activities and the duration of limited duty are to be prescribed by the City physician. In cases where there is a dispute of medical opinion between the City physician and the employee's physician, a third opinion shall be obtained from a physician mutually agreeable to the parties. The cost of the third opinion shall be equally shared by the City and the employee, and such third opinion shall be final and binding. The employee, while on limited duty, shall receive his/her current rate of pay with no deductions from sick time, compensatory time or other benefits.

ARTICLE XXX - MISCELLANEOUS

SECTION A. The City may require that employees submit to physical tests and examinations by 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.

SECTION B. The City may require that employees authorize their doctors to provide specific and detailed medical data from the employee's doctor for any illness or injury which resulted in lost work time exceeding three (3) consecutive days.

SECTION C. If an employee is required to use his automobile in connection with his job, he shall be paid at the IRS rate, or the current rate for mileage reimbursement established by the City for other general employees. Employees using their own cars shall, if required by the City, keep and file a record of all mileage driven on City business. The City shall furnish forms for this purpose.

SECTION D. This contract shall conform in all respects with the regulations of the United States Government with respect to the control of wages under authority granted to the President of the United States by Act of Congress. Nothing herein shall be held to conflict with any such regulation.

SECTION E. Uniforms will be provided to the Park Maintenance Supervisors, DPW Maintenance Supervisors, Fleet and Facilities Maintenance Supervisor, Golf Course Maintenance Supervisor, and the Golf Course and the Parks Maintenance Superintendent as per past practice. For those employees in these classifications who are required to wear steel-toed boots, the City shall reimburse up to \$65.00/year per employee toward the purchase of such boots.

SECTION F. In the event an employee is assigned to a higher-rated job classification in excess of two

(2) weeks, the employee will receive the minimum rate of pay for the new classification, or the step in the new classification which represents a full step increase in pay for that period of time in excess of two (2) weeks upon the review and approval of the City Manager. Other temporary assignments will be subject to review and approval by the City Manager at the request of the involved employee.

SECTION G: The City will pay the difference between a regular motor vehicle operator's license and a Class A CDL license with Air Brakes endorsements for renewals, for all employees required to hold such a license

ARTICLE XXXI - DEPARTMENT TRAINING

SECTION A. Approval of Educational Aid requests is the joint responsibility of the Department Director and City Manager. In approving such requests, consideration is given to the City's requirements and the employee's potential and development needs.

SECTION B. Approved courses are reimbursed 100%, including books, provided the employee's final grade is the equivalent of a "C" or better. No reimbursement is authorized for below "C" level work. Any refundable deposit is not eligible for reimbursement. Books purchased by the City shall remain the property of the City.

The City's reimbursement shall not exceed one hundred and sixty (\$160.00) dollars per credit hour for undergraduate classes and two hundred (\$200.00) dollars per credit hour for graduate classes, and such maximums shall increase by ten percent (10%) effective July 1, 1994 and again July 1, 1995. Total annual reimbursement shall not exceed two thousand (\$2,000.00) dollars per employee, exclusive of books and registration fees. Non-credit skill improvement classes related to City positions will also be reimbursed.

SECTION C. The employee must receive advance written approval from the City Manager to be eligible for any payments under this Article. In the event the employee leaves the employ of the City within one (1) year from the date the City makes the payment, the employee shall reimburse the City for such payments by having the amount deducted from their final paycheck(s). The employee must sign an agreement authorizing such payroll deductions before the City makes any payments under this Article.

ARTICLE XXXII - MAINTENANCE OF CONDITIONS

The City shall make no changes that are contrary to the provisions of this Agreement, in wages, hours or conditions of employment. This Agreement shall supersede any rules and regulations governing the involved City departments which are in conflict with the provisions of this Agreement.

ARTICLE XXXIII - GENERAL

The Union shall have a representative of its choosing on the City Safety Committee.

ARTICLE XXXIV - DISCIPLINE

An employee shall be entitled to representation by an appropriate Union representative at disciplinary interviews or interrogations from which disciplinary action may ensue. Whenever possible such investigations will be held during working hours.

ARTICLE XXXV - 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 referred to or covered by this Agreement and 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 and contemplation of either or both of the parties at the time that they negotiated or signed this Agreement.

ARTICLE XXXVI - SAVINGS AND SEPARABILITY

If any Article or Section of this Agreement, or any supplement thereto, should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with our enforcement of any Article or Section should be restrained by such tribunal, the remainder of this Agreement and supplements shall not be affected thereby, and the parties shall enter into immediate collective bargaining negotiations for the purpose of arriving at a mutually satisfactory replacement for such Article or Section.

ARTICLE XXXVII - DURATION OF AGREEMENT

SECTION A. The provisions of this Agreement shall be effective as of July 1, 2003, and shall continue and remain in full force and effect to and including June 30, 2007, and thereafter for successive periods of one (1) year, unless either party shall at least ninety (90) days prior to June 30, 2007, ^{serve written} notice on the other party of a desire to terminate, modify, alter, renegotiate, change, or amend this Agreement. A notice of desire to modify, alter, amend, renegotiate, or change, or any combination thereof, shall have the effect of terminating the entire Agreement on the expiration date in the same manner as a notice of desire to terminate unless before that date all subjects of amendment proposed by either party have been disposed of by agreement or by withdrawal, by the party proposing amendment.

SECTION B. If any negotiations described in Section A above reach an impasse, the procedure described in Act 379 of the Michigan Public Acts of 1965 shall be followed.

SECTION C. IN WITNESS WHEREOF, the Union and the City have caused this Agreement to be executed in their names by their duly authorized representatives the day and year first above written.

CITY OF FARMINGTON HILLS

BY: [Signature]
BY: [Signature]
BY: [Signature]

TEAMSTERS, STATE, COUNTY AND MUNICIPAL WORKERS, LOCAL 214

BY: [Signature] 11/6/03
BY: [Signature] 11/21/03
BY: [Signature] 11-21-03