AGREEMENT

BETWEEN THE CITY OF ANN ARBOR

AND

LOCAL 214 OF THE

INTERNATIONAL BROTHERHOOD OF

TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN

AND HELPERS OF AMERICA A.L.A.

(Civilian Supervisors)

July 1, 2006 – June 30, 2009

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TABLE OF CONTENTS

TABLE OF CONTENTS	3
ARTICLE 1 - RECOGNITION	7
Section 1 - Union Recognition.	7
SECTION 2 - ANTI-DISCRIMINATION/HARASSMENT.	
SECTION 3 - UNION SECURITY/AGENCY SHOP.	
SECTION 4 - TERMINATION PENALTY FOR DELINQUENCY IN PAYING DUES	
SECTION 5 - PAYROLL DEDUCTION.	9
ARTICLE 2 - MANAGEMENT RIGHTS	10
ARTICLE 3 - AID TO OTHER ORGANIZATIONS	11
ARTICLE 4 - STRIKES AND LOCKOUTS	12
ARTICLE 5 - STEWARDS AND CHIEF STEWARDS	13
SECTION 1 - DESIGNATION.	13
SECTION 2 - FUNCTIONING AS STEWARD.	13
SECTION 3 - SPECIAL CONFERENCES.	13
ARTICLE 6 - GRIEVANCE PROCEDURE	15
Section 1 - Definition.	15
SECTION 2 - INFORMAL RESOLUTION.	15
SECTION 3 - TIMELY ACTION.	15
SECTION 4 - STEPS.	
SECTION 5 - COST OF ARBITRATION.	
SECTION 6 - POWER OF ARBITRATOR.	
SECTION 7 - TIME LIMITS	
SECTION 8 - GRIEVANCE FORM.	17
ARTICLE 7 - DISCHARGE/DISCIPLINE	18
SECTION 1 - NOTICE.	18
Section 2 - Use of Past Record.	
ARTICLE 8 - VACANCIES	19
ARTICLE 9 - RECLASSIFICATIONS	20
ARTICLE 10 - TEMPORARY ASSIGNMENTS	21
ARTICLE 11 - TRAINING ASSIGNMENTS	22
ARTICLE 12 - LEAVES OF ABSENCE	23
SECTION 1 - PERSONAL REASONS	23
Section 2 - Special Reasons.	
SECTION 3 - MATERNITY I FAVES	23

SECTION 4 - ELECTION OF POSITION	
SECTION 5 - MEDICAL LEAVE OF ABSENCE.	
SECTION 6 - FAMILY ILLNESS.	
Section 7 - Leave for Union Business. Section 8 - Funeral Leave.	
SECTION 9 - PERSONAL LEAVE.	
Section 10 - Return from Leaves.	
ARTICLE 13 - EDUCATIONAL BENEFIT	26
Section 1 - Definition.	26
SECTION 2 - PROCEDURE	
SECTION 3 - UNDERGRADUATE COURSES	-
SECTION 4 - GRADUATE COURSES.	
SECTION 5 - WHEN COURSES CAN BE TAKEN.	
SECTION 6 - REIMBURSEMENT TO CITY	27
ARTICLE 14 - WORKERS' COMPENSATION	28
Section 1 – Definition.	28
SECTION 2 – SECONDARY EMPLOYMENT.	
SECTION 3 – WORK WHILE RECEIVING WORKERS' COMPENSATION BENEFITS	
Section 4 – Return To Work	
SECTION 5 – LIGHT OR LIMITED DUTY.	
Section 6 – Pension.	29
SECTION 7 - SENIORITY.	29
ARTICLE 15 - HOURS OF WORK	30
SECTION 1 - NORMAL WORKING HOURS	30
SECTION 2 - OVERTIME.	
SECTION 3 - CALLBACKS.	
Section 4 - Rest Periods or Coffee Breaks.	
Section 5 - Shift Preference.	
ARTICLE 16 - SENIORITY	30
SECTION 1 - DEFINITION.	
SECTION 3 - SENIORITY LIST.	
SECTION 4 - LOSS OF SENIORITY	
ARTICLE 17 - LAYOFFS	34
SECTION 1 - EMPLOYEES.	34
SECTION 2 - ORDER OF LAYOFFS.	34
Section 3 - Notice of Layoff	35
Section 4 - Recall Procedure	35
ARTICLE 18 - SICK LEAVE	36
SECTION 1 - ACCUMULATION	36
SECTION 2 - QUALIFICATION	36
SECTION 3 - ELIGIBILITY.	36
ARTICLE 19 - HEALTH INSURANCE	38
SECTION 1 – HEALTH COVERAGE	38

SECTION 2 - ELIGIBILITY	
SECTION 3 – HEALTH COVERAGE IN RETIREMENT	
SECTION 4 – HEALTH COVERAGE COST CONTAINMENT WAIVER PROGRAM	
SECTION 5 - HEALTH REIMBURSEMENT ACCOUNT	39
ARTICLE 20 - DENTAL INSURANCE	41
ARTICLE 21 - VISION INSURANCE	42
SECTION 1 - BASIC LIFE INSURANCE.	43
SECTION 2 - OPTIONAL LIFE INSURANCE.	
SECTION 3 - DEPENDENT LIFE INSURANCE.	
ARTICLE 23 - 30-DAY RULE FOR BENEFITS	_
ARTICLE 24 – EMPLOYEES/RETIREES MARRIED TO EMPLOYEES/RETIREES	45
ARTICLE 25 - VACATION LEAVE	
SECTION 1 - DEFINITION.	
SECTION 2 - ACCRUAL.	
SECTION 3 - VACATION PAY UPON SEPARATION	_
ARTICLE 26 - HOLIDAYS	47
SECTION 1 - DESIGNATION.	47
ARTICLE 27 - PENSION	48
ARTICLE 28 - LONGEVITY PAYMENTS	49
ARTICLE 29 - GENERAL	50
SECTION 1 - RULES AND REGULATIONS.	
SECTION 1 - RULES AND REGULATIONS. SECTION 2 - JURY DUTY.	
SECTION 2 - JORY DOTY	
SECTION 3 - COMMITTEES. SECTION 4 - PAY PERIOD.	
SECTION 5 - FINANCIAL INSTITUTION.	
SECTION 6 - BULLETIN BOARDS.	
SECTION 7 - LOSS DAMAGE.	
SECTION 8 - EXAMINATIONS.	
SECTION 9 - FIRST AID.	
SECTION 10 - SUPERVISION.	
SECTION 11 - OPERATIONS.	
SECTION 12 - BONDS.	
SECTION 13 - CONTRACTS.	
SECTION 14 - PROVISIONS CONTRARY TO LAW	
SECTION 15 - WAIVER CLAUSE.	
SECTION 16 - UNION VISITATION.	
SECTION 17 – WASHROOMS AND LOCKERS	
SECTION 18 - LEGAL ASSISTANCE.	
SECTION 19 - PAYMENT OF BACK PAY CLAIMS.	
SECTION 20 – COMPUTATION OF BACK WAGES	
SECTION 21 – COMPUTATION OF BENEFITS.	
SECTION 22 – VETERANS.	55

SECTION 23 – UNIFORMS.	55
ARTICLE 30 - CERTIFICATION PREMIUM PAY	56
ARTICLE 31 - CLASSIFICATIONS IN BARGAINING UNIT	57
ARTICLE 32 - WAGES	58
Section 1 - Rates.	58
SECTION 3 - CAP.	
SECTION 4 - OVERPAYMENT.	58
SECTION 5 – DEFERRED COMPENSATION.	58
ARTICLE 33 - DURATION OF AGREEMENT	59
LETTER OF UNDERSTANDING	60
LAYOFFS	60
APPENDIX A	61
HEALTH INSURANCE COST CONTAINMENT WAIVER PROGRAM	61
APPENDIX B	
PAY SCALES	63
CIVILIAN TEAMSTER SUPERVISORS WAGE SCALE	63
CIVILIAN TEAMSTER SUPERVISORS WAGE SCALE	64
CIVILIAN TEAMSTER SUPERVISORS WAGE SCALE	
APPENDIX C	69
PAY FOR PERFORMANCE INITIATIVE MEMORANDUM OF UNDERSTANDING	69
INDEX	73

ARTICLE 1 - RECOGNITION

Section 1 - Union Recognition.

Pursuant to and in accordance with all applicable provisions of Act 336 of the Public Acts of 1947, as amended, the Employer does, hereby, recognize Local 214, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America A.L.A., as the exclusive representative for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment, and other conditions of employment for which collective bargaining is mandatorily prescribed by law for the term of this Agreement for Supervisory Bargaining Unit.

Section 2 - Anti-Discrimination/Harassment.

The City and the Union are committed to providing every employee a workplace free from unlawful discrimination and harassment. No persons employed by the City shall be denied equal protection of the laws; nor shall any person be denied the enjoyment of his or her civil or political rights or be discriminated against because of actual or perceived race, color, religion, national origin, sex, age, height, weight, condition of pregnancy, marital status, physical or mental limitation, source of income, family responsibilities, educational association, sexual orientation, gender identity or HIV status, nor shall the Employer or its agents nor the Union, its agents or members discriminate against any employee because of his/her membership or non-membership in the union. As used herein, Aperceived refers to the perception of the person who acts, and not to the perception of the person for or against whom the action is taken.

The City and the Union agree to abide with all applicable federal, state non-discrimination laws and Chapter 112 of the City Code, as they all may be amended.

The City and the Union shall take steps to assure that employment assignments and promotions are given on an equal nondiscriminatory basis. Membership in the Union shall be open to every employee covered by this contract on a nondiscriminatory basis.

Section 3 - Union Security/Agency Shop.

Employees covered by this Agreement who are not members of the Union at the time it becomes effective shall be required as a condition of continued employment to pay an amount equal to such portion of the monthly Union dues that is necessary to support the Union's representational activities, such as collective bargaining and administration of the labor contract to the local Union for the service and administration of this contract for the duration of this Agreement. Employees covered by this Agreement shall be required to continue membership in the Union for the duration of this Agreement. This section does not require any employee to pay any fees or dues, which are related to political action or other non-representational activities of the union and does not require any employee to join

or become a member of the union. Under this Agreement and by law, employees are required only to pay the fees and dues outlined above as a condition of employment.

Employees covered by this contract who are not members of the Union at the time they are hired, rehired, reinstated or transferred into the bargaining unit after the effective date of this contract, shall be required, as a condition of continued employment, to pay an amount equal to such portion of the monthly Union dues that is necessary to support the Union's representational activities, such as collective bargaining and administration of the labor contract.

An employee who shall tender an initiation fee (if not already a member) and the periodic dues uniformly required as a condition of acquiring or retaining membership shall be a member of the Union and shall be deemed to meet the conditions of this section.

Section 4 - Termination Penalty for Delinquency in Paying Dues.

Employees shall be deemed to be members of the Union or Agency within the meaning of this section if they are not more than sixty (60) days in arrears in payment of membership dues or service charge.

No employee shall be terminated under Section 4 of this Article unless:

- (a) The Union first has notified the employee by Certified letter, explaining that he/she is delinquent in not tendering either periodic and uniformly required Union dues or the service charge in an amount equivalent to periodic and uniformly required Union dues, and specifying the sixty (60) day delinquency, and warning him/her that unless such dues or service charge is tendered within thirty (30) calendar days, he/she will be reported to the City for termination as provided in this Article.
- (b) The Union has furnished the City with written proof that the procedure of Section 4(a) of this Article has been followed or has supplied the City with a copy of the letter sent to the employee and notice that he/she has not complied with the request. The Union must specify further, when requesting the City to terminate the employee, the following by written notice: "The Union certifies that (name) has failed to tender either the periodic and uniformly required Union dues or service charge required as a condition of employment under the collective bargaining agreement and that under the terms of the Agreement, the City shall terminate the employee."
- (c) The Union shall indemnify, and save the City harmless against any and all claims, demands, suits, or other forms of liability arising out of this section, or Section 5.

Section 5 - Payroll Deduction.

During the life of this Agreement and in accordance with the terms of the form of <u>Authorization of Payroll Deduction of dues or service charge</u>, hereinafter set forth, the Employer agrees to deduct a uniform amount as union membership dues or service charge levied in accordance with the Constitution and Bylaws of the Union from the pay of each employee who executes or has executed the following Authorization for Payroll Deduction form. When a personnel action form for the new Teamster Supervisor is completed, the Employer will notify the Union. New members will be permitted to have deducted monthly during their probationary period a prorated portion of the initiation fee as set by the Secretary-Treasurer of Local 214. Dues deduction shall begin at the end of the month of employment following completion of the six month probationary period. The Union will notify Payroll, in writing, as to the initiation fees and monthly dues. Any changes in these amounts shall be given in writing to Payroll.

The Employer agrees to pay to the Union any amounts it failed to pay in error, upon presentation of proper evidence thereof.

Check off deductions under a properly executed <u>Authorization for Check off of Dues or Service Charge</u> forms shall become effective at the time the authorization is signed by the employee and shall be deducted from the last pay of the month and each month thereafter. The pay periods shall be bi-weekly.

Deductions for any calendar month shall be remitted to the designated financial officer of the local Union with: (1) a list for whom membership dues have been deducted, and (2) a list for whom service charges have been deducted by the tenth (10th) day of the month following the payday that the dues and charges were deducted.

Any dispute arising as to an employee's membership in the Union shall be reviewed by the designated representative of the Union, and if not resolved, may be decided through the grievance procedure.

ARTICLE 2 - MANAGEMENT RIGHTS

The Employer reserves and retains, solely and exclusively, all rights to manage and direct its work forces, except as expressly abridged by the provisions of this Agreement, including by way of illustration but not limitation, the determination of policies, operations, assignments, schedules, layoffs, for the orderly and efficient operation of the City.

The Union recognizes that members of the unit are supervisory personnel and are representative and part of management for the purpose of administering the City's policies to insure the safety, health and welfare of the citizens of the City of Ann Arbor.

At no time will the Employer negotiate conditions of employment with the individual bargaining unit members without the full participation and written consent of the Chief Steward and/or Business Agent by involving appropriate union representation at the beginning of any such discussions.

In any conflict between the City Human Resources Policies and Procedures, Service Area/Unit Specific Policies or departmental rules and this Agreement, this Agreement shall take precedence. These rules shall be posted permanently and a copy sent to each member in the unit. A meeting shall be held with Union representatives to discuss their views of the rules prior to implementation.

ARTICLE 3 - AID TO OTHER ORGANIZATIONS

The Employer will not aid, promote, or finance any labor group, organization or person which purports to engage in collective bargaining or make any agreement with any such group, person, or organization for the purpose of undermining the Union or which conflicts with the Agreement.

ARTICLE 4 - STRIKES AND LOCKOUTS

The Union agrees that during the life of this Agreement neither the Union, its agents nor its members will authorize, instigate, aid, condone or engage in a work stoppage, slowdown, strike or any other concerted activity which interferes with the operations of the Employer. The Employer agrees that during the same period, there will be no lockouts.

Individual employees or groups of employees who instigate, aid, or engage in a work stoppage, slowdown, strike or any other concerted activity which interferes with the operations of the Employer may be disciplined or discharged in the sole discretion of the Employer. This provision shall not be construed to waive an employee's rights of appeal under the grievance procedure.

In the event of a work stoppage of another union that is beyond the control of this Union, the members of this unit shall not be required to perform normal bargaining unit work of others except in cases of emergency. Such emergencies shall be declared by the City Administrator. Such assignments shall not be considered a demotion, promotion or reclassification, and when so assigned, employees shall receive their regular wages for hours worked. The Employer will provide security for members in crossing picket lines. If, because of a picket line a member refuses to perform work when an emergency exists, he/she shall not be paid and shall be subject to discipline, but not discharged. If a member refuses to cross a picket line of another union and it is a non-emergency situation, he/she shall not receive his/her pay, but he/she will not be subject to discipline.

<u>ARTICLE 5 - STEWARDS AND CHIEF STEWARDS</u>

Section 1 - Designation.

The Employer recognizes the right of the Union to designate a Chief Steward and eight (8) other Stewards. Alternate stewards may be designated to serve in the absence of the regular stewards and on shifts that no steward is working for the purpose of grievance representation support only. Once these stewards are selected, their names and designated areas of stewardship responsibility will be submitted to Human Resources Services.

Section 2 - Functioning as Steward.

The authority of the Stewards shall be limited to and shall not exceed the following duties:

- (a) The investigation and presentation of grievances in accordance with the provisions of the Grievance Procedure.
- (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, including the use of the City's e-mail system, or
 - 2. If not reduced to writing, are of a routine nature and do not involve work stoppages, slowdowns, refusal to handle goods, or any other interference with the work of the City.
- (c) The Steward shall be permitted reasonable time to investigate, present, and process grievances on the premises of the City without loss of time or pay during his/her regular working hours. Such time spent in handling a grievance during the Steward's regular working hours shall be considered working hours in computing daily and/or weekly overtime if within the regular schedule of the Steward.
- (d) Before a Steward exercises his/her union responsibilities, the immediate supervisor shall be notified.

Section 3 - Special Conferences.

Special conferences for important matters will be arranged between the Chief Steward and the designated representative of the Employer, upon the request of either party. Such meetings shall be between one (1) or more representatives of the employer and at least two (2), but not more than five (5) representatives of the Union. Arrangements for such special conferences shall be made within thirty (30) days of the request, unless mutually agreed to by the City and the Union, and the party requesting a special conference shall provide the other party with an agenda of the subjects to be discussed at the special conference at the time the request is made, unless both parties have subjects they wish to discuss, in which case the parties shall exchange their agenda. Matters taken up in special conference shall be confined to those included in the agenda, unless both parties agree to include other items. The members of the Union attending such a conference shall receive their regular rate of pay and should the meeting extend beyond the normal workday, they shall receive time-and-a-half. If there is an answer forthcoming from either the Union or the Employer, it shall be given in writing within seven (7) workdays of the special conference.

ARTICLE 6 - GRIEVANCE PROCEDURE

Section 1 - Definition.

The purpose of this grievance procedure is to establish effective machinery for the fair, expeditious and orderly adjustment of grievances. Grievances within the meaning of this procedure shall consist of all disputes about interpretations and applications of particular clauses of this Agreement, and about alleged violations of this Agreement, including discipline and discharge. Discipline involving time off and discharge grievances shall be submitted at the third step.

Section 2 - Informal Resolution.

The informal resolution of differences or grievances is urged and encouraged at the lowest possible level of supervision.

Section 3 - Timely Action.

Immediate supervisors, Service Unit Managers and Service Area Administrators shall consider promptly all grievances presented to them, and, within the scope of their authority, take such timely action as is required.

Section 4 - Steps.

Grievances shall be processed according to the following procedure:

<u>FIRST STEP</u>: An employee who has a grievance shall discuss his/her complaint with his/her Service Unit Manager, or designee, with or without the presence of his/her steward. The parties shall discuss the complaint in a fair manner and shall make every effort to reach a satisfactory settlement at this point. The Service Unit Manager or designee shall make arrangements for the employee to be off his/her job for a reasonable period of time in order to discuss the complaint with his/her steward.

SECOND STEP: If the matter is not satisfactorily settled by such a discussion, the aggrieved employee shall file a grievance with his/her Service Area Administrator, or designee within ten (10) working days of the event giving rise to the grievance. Such grievance shall be in writing and shall set forth the nature of the grievance, the date of the matter complained of, the names of the employee or employees involved, and the circumstances surrounding the grievance. The Service Area Administrator or designee shall give a written answer within five (5) working days.

THIRD STEP: If the Service Area Administrator, or designee's answer is unsatisfactory to the employee, he/she shall have the right to appeal to the City Administrator. Such appeal must be made within five (5) working days from the date of the Service Area Administrator, or designee's written response. The City Administrator and/or his/her designated representative within five (5) working days from the date of receiving the appeal will either render a written decision or hold a meeting at the Union's request. In the event a meeting is held, the Union representatives may meet for thirty (30) minutes prior to this meeting. The Chief Steward shall be allowed reasonable time, with pay, to investigate the nature of the grievance he/she is to discuss with the City Administrator's representatives. Administrator or his /her designee shall file an answer, if a meeting is held, with the Chief Steward through his/her Service Unit Manager, or designee within five (5) workdays after the meeting. In lieu of filing an answer, the City Administrator, in his/her discretion, may submit the grievance to a mutually agreeable arbitrator. If the parties are unable to agree as to an arbitrator, the services of the American Arbitration Association shall be used in making a selection. In such a case, the decision of the arbitrator shall be binding on both parties. In the event that no meeting was held, the aggrieved employee upon receipt of the written answer may request a meeting and the meeting will be held within five (5) working days of the request.

<u>FOURTH STEP</u>: If an answer of the City Administrator is unsatisfactory to both the Union and the employee, the grievance shall be submitted to either a mutually agreeable arbitrator or to the American Arbitration Association provided that such submission is made within thirty (30) workdays after receipt by the Union of the City Administrator's answer. Failure to request arbitration in writing within such period shall be deemed a withdrawal of the grievance and it will not be considered further in the grievance procedure. The decision of the arbitrator shall be binding on both parties.

Section 5 - Cost of Arbitration.

If a grievance is submitted to an arbitrator by the City Administrator under Step 3, the City shall pay the arbitrator's fee. If a grievance is submitted to an arbitrator by an employee under Step 4, the City and the Union shall each pay one-half of the arbitrator's fee.

Section 6 - Power of Arbitrator.

An arbitrator shall have no power to add to, or subtract from, or modify any of the terms of this Agreement, nor shall he/she substitute his/her discretion for that of the Employer or the Union where such discretion has been retained by the Employer or the Union, nor shall he/she exercise any responsibility or function of the Employer or the Union.

Section 7 - Time Limits.

If the grievance is not timely filed or if no appeal is taken within the time limit, the employee and/or Union shall be deemed to have accepted the action or decision. Conversely, if an answer in writing is not made within the prescribed time limit, or extended by mutual agreement, it may be advanced to the next step by the Union by written appeal within the proper time limit after the answer is due.

Section 8 - Grievance Form.

The City and the Union shall agree on a grievance form. Once such agreement is reached, the form shall be prepared by the City and provided to the Union and employees as requested. This form shall be used in filing a grievance. The top copy of the form shall be the property of the employee filing the grievance and shall be returned to the employee upon completion of the case.

<u>ARTICLE 7 - DISCHARGE/DISCIPLINE</u>

The Employer reserves the right to discipline and discharge for just cause.

Section 1 - Notice.

When an employee has engaged in conduct which could lead to discharge or discipline involving time off, the employee's Service Unit Manager or his/her designated representative will notify the employee within seven (7) work days after knowledge of the events giving rise to possible disciplinary action. In the case of any alleged misconduct, which requires an investigation, such investigation shall be concluded within a reasonable period of time and knowledge shall be presumed at the conclusion of said investigation. Before any action is taken, the Service Unit Manager or his/her designated representative shall meet with the employee to discuss the matter. The employee shall have the opportunity to meet with his/her Union representative on the Employer's premises prior to meeting with the Service Unit Manager and to have his/her Union representative present when he/she meets with the Service Unit Manager. At the conclusion of the investigation, and after meeting with the employee, the employee will be notified in writing of the results of the investigation and whether or not disciplinary action will be taken. If disciplinary action is taken, the employee will be notified in writing with a copy to be given to his/her Union representative. Grievances regarding disciplinary action involving time off and discharge shall be entered at the third step of the grievance procedure.

Section 2 - Use of Past Record.

In imposing any discipline, the Employer shall not base his/her decision upon any prior infractions of City HR Policies and Procedures, Service Unit Specific Policies, or departmental rules or regulations which occurred more than two (2) years previously unless directly related to the current incident of discharge or discipline. Immediate discharge or discipline may occur for falsification of any employment application or record. There shall be no time limit on use of past records in these cases.

Section 3 – Expunging Employee Records

Upon employee request, records of disciplinary actions issued shall be removed from an employee's file thirty six (36) months following the date on which the action was taken.

ARTICLE 8 - VACANCIES

When vacancies in the bargaining unit exist or there are new bargaining unit positions created, the Employer shall post such positions exclusively to bargaining unit members for one week and make available a list of the necessary qualifications. Members of this bargaining unit shall have first right to apply for such position. Should a bargaining unit member choose to apply for the vacancy during the period of time it is posted outside the bargaining unit, exclusive consideration would first be given to the bargaining unit applicant.

It is understood and agreed that the vacant or new position is to be awarded to the most qualified bargaining unit member who applies and who has a satisfactory work record. Where the qualifications, ability, skill, interest, and work record of a bargaining unit member and a non-bargaining unit member are judged relatively equal by management, it is understood and agreed that the bargaining unit member will be awarded the position.

The employer shall not consider applicants from outside the bargaining unit so long as applicants within the bargaining unit meet the minimum qualifications set forth for said position, or have the ability, as determined by the employer, to meet the minimum qualifications, within a reasonable period of time. This determination shall be based on a discussion with the Union and the bargaining unit member who is applying for the position.

The bargaining unit employee shall be awarded the position on a trial basis for sixty (60) calendar days. Should management and the employee jointly agree to request an extension of the trial and training period from the Union, such an extension may be granted for thirty (30) additional calendar days.

Throughout any trial and training period, a formal evaluation shall be conducted at the end of the first twenty one (21) days to apprise the employee of his/her performance. On going discussion regarding the work performance and supervisory behaviors shall continue, and be documented in writing, between the employer and the bargaining unit member throughout the remainder of the trial and training period. The employee shall be returned to his or her former position based upon results of an unsatisfactory performance review, or at his or her own request. After sixty (60) days or at the end of the extended trial and training period he or she loses their ability to return to their previous position.

The employer agrees to meet with the Union to discuss major changes in bargaining unit job requirements, skills, abilities, etc., prior to posting a vacant position.

Any efforts on the part of the City to implement a career ladder within the bargaining unit shall include full participation by the Chief Steward, Business Agent, and affected bargaining unit members prior to implementation.

ARTICLE 9 - RECLASSIFICATIONS

The employer reserves the right to make changes in assigned duties and responsibilities that are related to the employee's present position. The Employer also reserves the right to assign duties and responsibilities to an employee that are related to the employee's present position. When the Employer wishes to create new positions, revise job descriptions, or reclassify current positions within the bargaining unit, the Director of Human Resources and Labor Relations will provide the Union with a copy of such proposed changes fourteen (14) days prior to scheduled implementation. The Union shall have ten (10) days within which to review and comment on the proposed modifications as to job requirements and wage scale. Should the Union disagree with the proposed job requirements and/or wage rate, a special conference, which includes the Director of Human Resources and Labor Relations, will be convened at the request of either party. Assignment of duties will not be made for the purpose of reducing an employee's pay.

If an employee believes that his or her scope of work or job responsibilities have gone beyond or outside of his or her job description, he or she may request a meeting with his or her Manager, Union representation and Human Resources Services to seek clarification of the job description requirements.

ARTICLE 10 - TEMPORARY ASSIGNMENTS

Management shall determine when a vacancy exists and should be filled. Temporary assignments for the purpose of filling vacancies of employees who are absent will be offered to qualified employees in order of seniority, the most senior qualified person being offered the position first. If all qualified employees reject the offer, the lowest senior qualified employee must accept the temporary assignment. The Employer agrees to notify the Union in writing and meet with the Union to discuss the nature and duration of temporary assignments and to discuss any adverse impact to the member or unit as a result of a temporary assignment.

Employees who are temporarily assigned to another position will be placed in Step 1 (one) of the new range. However, if Step 1 (one) of the new pay range is found to be less than a one step increase above the employee's previous rate, the employee shall receive an additional step or steps to establish the equivalent of a one-step increase in pay. This provision shall apply to overtime only in those instances where the employee is getting the higher pay. If a bargaining unit member is transferred to a temporary assignment in the City, which is not included in the bargaining unit, and later returns to the bargaining unit, the member's seniority shall include the time served in a temporary assignment.

Temporary assignments of non-Teamster employees in Teamster positions shall not exceed ninety (90) days except if there is a mutual agreement in writing between management and the union for an extension. After ninety (90) days, all such employees shall be treated as a bargaining unit member. Immediately upon the 91st day, the non-Teamster employee must complete the form of Authorization of Payroll Deduction of Dues or Service Charge, and the Employer agrees to deduct a uniform amount as Union membership dues for Service Charge, or the non-Teamster employee immediately returns to his/her former position.

ARTICLE 11 - TRAINING ASSIGNMENTS

Both the Employer and the Union recognize the value of on-the-job training. Such training is to be encouraged. Training assignments will be made on the basis of seniority, interest, qualifications, and the needs of the service unit. During a training assignment, the employee being trained will always be supervised by a qualified supervisor. Under such supervision, the employee being trained will continue to receive his/her current rate of pay.

ARTICLE 12 - LEAVES OF ABSENCE

The Family Medical Leave Act (FMLA) will be coordinated and applied under applicable Federal Law.

Section 1 - Personal Reasons.

A Service Unit Manager may authorize an employee to be absent without pay for personal reasons for a period or periods not to exceed ten (10) working days in any calendar year.

Section 2 - Special Reasons.

The Service Unit Manager, in consultation with the City Administrator, may authorize special leave of absence with or without pay for any period or periods for the following purposes:

- (a) Attendance at college, university or business school for the purpose of training in subjects related to work of the employee and which will benefit the employee and the City service.
- (b) Urgent personal business requiring employee's attention for an extended period such as settling estates, liquidating a business, running for a public or Union elective position, and for purposes other than the above that are deemed beneficial to the City.

Section 3 - Maternity Leaves.

Employees shall be allowed to take a maternity leave of absence, not to exceed six months, concurrent with a Family and Medical Leave of absence, due to pregnancy, pregnancy of a spouse or domestic partner, or adoption of a child. Such leave of absence shall not affect continuous service. Paid leave time will be used unless such leave time is not available. However, an employee may elect to retain a maximum of forty (40) hours in each paid leave bank i.e. sick, vacation and compensatory time. Disability caused by pregnancy shall be treated as temporary disability under this Agreement. If at the end of six (6) months the employee has not requested reinstatement, his/her employment shall be terminated. If the employee is unable to return to work at the end of (6) months and provides a written recommendation by the attending physician, the Employer may, in its discretion, grant an additional leave of absence. Benefit continuation will be consistent with the provisions of the Family Medical Leave Act (FMLA).

Section 4 - Election of Position.

An employee who has been elected or appointed to a public or union position will be granted a leave of absence without pay for a period not to exceed two (2) years, if the Employer determines such a leave will not interfere with the efficient operation of the Service Unit. Such determination shall not be arbitrary or capricious.

Section 5 - Medical Leave of Absence.

If an employee needs to be off work for an extended period of time due to a serious medical condition, the employee will be granted, at his/her request, a medical leave of absence, not to exceed two (2) years, provided the employee complies with the submission and verification of required medical certifications. Paid leave time will be used unless such leave time is not available. Employees may elect to retain a maximum of forty (40) hours in each paid leave bank i.e. sick, vacation and compensatory time.

Section 6 - Family Illness.

If an employee has a prolonged illness in his/her immediate family, defined in this case to include only the spouse, domestic partner, children and parents of the employee, said employee will, at the employee's request, be granted a leave of absence not to exceed one (1) year. Paid leave time will be used unless such leave time is not available. Employees may elect to retain a maximum of forty (40) hours in each paid leave bank i.e. sick, vacation and compensatory time.

Section 7 - Leave for Union Business.

Two members of the Union selected to attend a function of the Union, such as conventions or educational conferences, shall be allowed, subject to the prior approval of the Service Unit Manager and the Director of Human Resources and Labor Relations, a combined maximum of ten (10) days off with pay to attend such conference and/or conventions per fiscal year.

Section 8 - Funeral Leave.

Employees shall be allowed up to five (5) consecutive working days as funeral leave days with pay not to be deducted from sick leave for a death in his/her immediate family which is to be defined as follows: mother, father, sister, brother, spouse, domestic partner, son or daughter, mother-in-law, father-in-law, sister-in-law, brother-in-law, step-parents, step-child, grandparents, grandchild or a member of the employee's household.

Employees will be allowed one (1) working day off with pay to serve as a pallbearer at a funeral for one who is not in the employee's immediate family.

An employee shall be required to confirm the reason for using funeral leave if requested by the employee's supervisor.

Section 9 - Personal Leave.

Each employee covered by this contract shall receive, effective July 1 of each year, four (4) personal leave days. Such personal leave cannot be used in increments of less than one (1) hour and will be granted upon the employee's request in accordance with operational requirements. This leave is in addition to sick and vacation leave and must be used during the fiscal year or will be lost. An employee must notify his/her immediate supervisor by noon of the working day before he/she wishes to take the personal leave day. For the purposes of this section, "day" is defined as the length of the employee's assigned shift. Refusal to grant a personal leave day shall not be arbitrary or capricious.

New unit employees will earn one day of personal leave in each quarter of the first fiscal year of their employment. The quarters are: July-September, October-December, January-March, April-June. Once an employee begins working in a second fiscal year, he/she will no longer be considered a new employee for purposes of computing personal leave. Thus, a new employee hired between April and June will earn one day of personal leave in that fiscal year. Beginning in July, that employee will receive four (4) days of personal leave for the following fiscal year period.

In the event of layoff only, the employee will be paid at his/her current rate for unused personal leave.

Section 10 - Return from Leaves.

An employee on leave as specified in this article shall be returned to the position that he/she left if the leave is of one-year duration or less. The City of Ann Arbor Human Resources Policies and Procedures shall govern leaves of absences unless otherwise modified by this contract.

ARTICLE 13 - EDUCATIONAL BENEFIT

Section 1 - Definition.

In keeping with the Employer's policy of encouraging the improvement and professionalism of its employees through education, the Employer shall provide to employees the opportunity to take courses at an accredited college or university or community college. The employee shall be eligible to receive reimbursement for tuition and required textbooks for three (3) courses or ten (10) credit hours per semester or term, subject to and in accordance with other limitations hereinafter provided. Any late registration fees, travel or employee time will not be reimbursable. In order to be eligible for book and tuition reimbursement, the employee must not be eligible for reimbursement from any other source. The employee shall advance the cost of all tuition and required textbooks.

Section 2 - Procedure.

Educational reimbursement must be requested by the employee, in writing, on forms made available by Human Resources Services, within ninety (90) days of the course/s completion date in order to qualify for reimbursement. The request must be approved by the Service Unit Manager in his/her sole discretion prior to the first meeting of the course, with an explanation as to how it is related to the employee's classification and work assignments, or provides future promotional opportunities within the employee's service unit. If the Service Unit Manager turns down the employee's request for educational reimbursement, the employee can appeal that decision to the City Administrator. The City Administrator's ruling is final. This section is not subject to any grievance procedure.

Section 3 - Undergraduate Courses.

The employee must receive a grade of "C" or better to be eligible to receive reimbursement for any undergraduate level course/s. Reimbursement for undergraduate level course/s and textbooks will be provided at 100% of the total costs, up to a maximum of two thousand dollars (\$2000) per fiscal year, plus the equivalent adjusted percentage increase for tuition cost in the year by the school based on Eastern Michigan University's tuition rate, when an employee's cost exceeds the \$2,000 cap. This increase shall be cumulative from year-to-year, but will not exceed a total of eleven percent (11%) over the term of this contract. The Employer will not fund two degrees at the undergraduate level.

Section 4 - Graduate Courses.

The employee must receive a grade of B or better to be eligible to receive reimbursement for any graduate level course/s. Reimbursement for graduate level course/s and textbooks will be provided at 100% of the total costs, up to a maximum of two thousand dollars (\$2000) per fiscal year, plus the equivalent adjusted percentage increase for tuition cost in the year by the school based on Eastern Michigan University's tuition rate, when an

employee's cost exceeds the \$2,000 cap. This increase shall be cumulative from year-toyear, but will not exceed a total of eleven percent (11%) over the term of this contract. The Employer will not fund two degrees at the graduate level.

Section 5 - When Courses Can Be Taken.

Courses shall be taken on the employee's off-duty time. Employees who attend courses during normal work hours must receive approval from the Service Unit Manager. Hours of work missed during such attendance must be made up by the employee or no pay will be granted for such time.

Section 6 - Reimbursement to City.

In the event that an employee leaves the service of the City within one year after receiving educational benefits under this clause, he/she shall reimburse the City for those monies received in the one year period preceding his/her leaving.

ARTICLE 14 - WORKERS' COMPENSATION

Section 1 – Definition.

Each Employee will be covered by the applicable Worker's Compensation Law. The employer further agrees that an employee whose absence from work is due to illness or injury arising out of and in the course of his/her employment with the City and who is eligible for Workers' Compensation, shall, in addition to Workers' Compensation benefits receive the difference between the Workers' Compensation benefits and his/her net after tax (gross minus state and federal taxes) salary and all fringe benefits (except clothing allowance) as of the date of injury (excluding overtime), commencing the first day on which he/she is unable to work following the day of injury, and continuing thereafter for a maximum of fifty-two (52) weeks. The City supplement to state Workers Compensation benefits will commence on the 8th day after the first work day off due to work connected illness or injury. On the 15th day after such first work day off due to work connected illness or injury, the supplement will be paid to such first work day and any banked time used for pay continuance during the first seven (7) days of absence will be restored to the employee's bank.

If an employee returns to work prior to the expiration of the fifty-two (52) week period, and then is off work again due to a recurrence or aggravation of the disability resulting in the prior absence from work, that employee shall be entitled to receive supplemental pay for a number of weeks equal to fifty-two (52) minus the number already received. After an employee has received a total of fifty-two (52) weekly supplemental payments, the employee shall receive only the weekly Workers' Disability benefits as determined by law.

Section 2 – Secondary Employment.

While an employee is receiving Workers' Compensation benefits, he/she shall notify the City if he/she is working elsewhere. If an employee is receiving compensation from another job while receiving weekly supplemental payments, the amount of weekly supplemental payments shall be reduced by the amount of compensation received from the other job. Failure of an employee to notify the City that he/she is employed elsewhere shall result in the employee forfeiting his/her right to any additional weekly supplemental payments to which he/she would otherwise have been entitled and in reimbursing the City an amount equal to that earned at other employment but not to exceed the amount he/she would have been entitled to as a supplemental pay.

Section 3 – Work While Receiving Workers' Compensation Benefits.

While an employee is receiving Workers' Compensation benefits, he/she shall be required to perform work that is offered by the City if he/she is capable of performing that work. If the employee is requested to perform this work during the period in which he/she would have been entitled to receive weekly supplemental payments, his/her salary will not be

lower than his/her salary at the time of injury. If the employee is requested to perform this other work after the period in which he/she is entitled to receive weekly supplemental payments, his/her salary shall be that of the job he/she performs. If an employee refuses to perform other work that he/she is capable of performing, he/she shall forfeit his/her right to receive weekly supplemental payments, as well as subjecting him/herself to loss of regular Workers' Compensation payments under the Workers' Compensation Act.

Section 4 – Return To Work.

At any time the Employer determines, based on medical information, an employee is able to return to his/her regular job; he/she shall be required to do so. Failure to so return will result in forfeiture of weekly supplemental payments as well as subjecting the employee to loss of regular Workers' Disability Compensation payments under the Workers' Disability Compensation Act. The employee may be required to periodically report to a City selected and paid for doctor.

Section 5 – Light or Limited Duty.

The Director of Human Resources and Labor Relations may assign an employee to light or limited duty if there is available work which the employee can perform without displacing another employee. The Employer agrees to create light duty positions whenever possible within each service unit to achieve this. Employees shall be paid in accordance with State Workers' Compensation laws.

Section 6 – Pension.

Workers' Compensation payments shall not be used for purposes of computing final average compensation for pension.

Section 7 – Seniority.

While employees are on Workers' Compensation or medical leave due to physical or mental illness, or illness in their immediate family as defined in Article 18, Section 3, such employees shall continue to accrue seniority.

ARTICLE 15 - HOURS OF WORK

The Employer shall have the right to determine reasonable schedules of working hours and days including the assignment of leave days and to establish the method and processes by which such work shall be accomplished.

Section 1 - Normal Working Hours.

The regular work schedule shall consist of five (5) consecutive eight (8) hour days, Monday through Friday, except in regular six or seven-day operations now in existence, and except in temporary or seasonal work. Prior to the implementation of any change in the work schedule, the Employer agrees to meet and negotiate at the request of the Union about such changes. It is recognized by the Union that scheduling work is a management right. It is recognized by the City that such scheduling must not be arbitrary nor capricious. Prior to the implementation of any change in the work schedule, the Employer agrees to notify the Chief Steward in writing and if requested meet with the Chief Steward to negotiate the effects of such change.

For employees working eight (8) hour days, any time worked in excess of eight (8) hours a day shall be overtime. For employees working ten (10) hour days, any time worked in excess of ten (10) hours a day shall be overtime. For employees working twelve (12) hour days, any time worked in excess of twelve (12) hour days shall be overtime. Any time worked in excess of forty (40) hours a week will be considered overtime.

Section 2 - Overtime.

The Employer has the right to schedule overtime work as required in a manner most advantageous to the service unit and consistent with the requirements of municipal employment.

Employees shall be compensated for overtime by payment at time and one-half, which may be received in cash or in compensatory time off, as requested by the employee. The Service Unit Manager or his/her designee will be the determining authority on the necessity for overtime.

Off days shall not be changed, switched or rescheduled to avoid paying overtime.

Section 3 - Callbacks.

When an employee is called to return to work he/she shall be given one (1) hour as preparation and travel time for such callback at time and one-half in addition to the hours worked at time and one-half. The minimum payment for callback shall be the one (1) hour paid at time and one-half given as preparation and travel time plus payment for one (1) hour of working time at time and one-half.

Section 4 - Rest Periods or Coffee Breaks.

All employees shall be entitled to two (2) fifteen minute rest periods or coffee breaks during each shift. A lunch period shall not be considered a rest period or coffee break period. If an employee is working overtime, he/she shall be allowed a rest period or coffee break after each two (2) hour period, and at the end of four (4) hours a lunch period shall be allowed.

Section 5 - Shift Preference.

Upon an opening or vacancy, shift preference will be given on the basis of seniority, except in rotating shifts.

ARTICLE 16 - SENIORITY

Section 1 - Definition.

Seniority shall be based on an employee's entry into the bargaining unit.

Section 2 - Probationary Employees.

New employees hired in the unit shall be probationary employees for the first six (6) months of their employment. The calendar days probationary period shall be accumulated within not more than one (1) year. When an employee completes the probationary period, by accumulating six (6) months of employment within not more than one (1) year, he/she shall be entered on the seniority list of the unit and shall rank for seniority from a day six (6) months prior to the day he/she completed the probationary period. There shall be no seniority among probationary employees. Probationary employees shall receive written evaluations at two (2) months, three (3) months, and six (6) months. Upon mutual agreement between the employer and the Union, the Employer may extend the probationary period. Said extension not to exceed three (3) months.

The Union shall represent probationary bargaining unit employees for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment and other conditions of employment as set forth in Article 1 of this Agreement, except employees discharged and disciplined for other than Union activity.

Section 3 - Seniority List.

The seniority list on the date of this Agreement shall show the names, job titles and length of service in the bargaining unit. The Employer will keep the seniority list up to date at all times and will provide the Union with up-to-date copies at least every six (6) months.

Section 4 - Loss of Seniority.

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

- (a) He/she quits City employment.
- (b) He/she is discharged and the discharge is not reversed through the procedures set forth as in this Agreement.
- (c) He/she is absent for five (5) consecutive working days without notifying the Employer. In proper cases, exceptions may be made with the consent of the Employer. After such absence, the Employer will send written notification to the employee at his/her last known address that he/she has been terminated. If the disposition made of

- any such case is not satisfactory to the employee, the matters may be referred to the grievance procedure.
- (d) If he/she does not return to work when recalled from layoff as set forth in the recall procedure. In proper cases, exceptions shall be made with the consent of the Employer.
- (e) Failure to return from sick leave and leaves of absence will be treated the same as (3) above.
- (f) He/she retires.
- (g) He/she has been laid off and not recalled after 36 months.
- (h) If he/she moves into a position outside of the bargaining unit, he or she would have 60 days to return to the bargaining unit without loss of seniority.

Section 5 - Seniority of Steward.

Notwithstanding his/her position on the seniority list, the steward, in the event of a layoff of any type, shall be continued at work as long as there is a job in the bargaining unit which he/she can perform and shall be recalled to work in the event of a layoff on the first open job in his/her unit which he/she can perform. The steward shall be a bargaining unit employee and shall have completed his/her probationary period in the bargaining unit.

ARTICLE 17 - LAYOFFS

Section 1 - Employees.

The Employer may layoff a bargaining unit employee when it is deemed necessary by reason of shortage of work or funds, the elimination of the position or material change in the organization. Some of the duties contained in the job description of the employee laid off may be reassigned within reason to other bargaining unit employees. Prior to any layoff, the City shall notify the Union, in writing, at least two (2) weeks prior to said layoffs and at the request of the Union will discuss the layoffs prior to the effective date.

Section 2 - Order of Layoffs.

Layoff of employees shall be made first by inverse order of seniority within a title classification. Further, bumping laterally or downward by seniority will be allowed in the following order:

- (a) Bid for a vacant bargaining unit position.
- (b) If the employee is not able to move into a vacant bargaining unit position, he/she shall have the right to bump to an equal or lower progression level within the title classification he/she is performing if he/she has more bargaining unit seniority than the least senior employee within that title classification. The least senior employee will then be removed from the position.
- (c) If an employee does not have bumping rights under (a) or (b) above, he/she shall have the right to bump into a title classification in which he/she has previously served if he/she has more bargaining unit seniority than the least senior employee in that classification. The least senior employee will then be removed from the position.

- (d) If an employee does not have any bumping rights under (a) (b) or (c) above, he/she will be allowed to bump into a title classification in which he/she possesses the qualifications and abilities to perform with minimum training and supervision and if he/she has more bargaining unit seniority than the least senior employee in that title classification. The position into which the employee will be allowed to bump will be determined by the Employer. The least senior employee will then be removed from the position.
- (e) No bargaining unit employee shall be laid off from his/her position while a temporary, seasonal or contract employee is still employed in a supervisory position in the same service unit.
- (f) No bargaining unit employee shall be laid off from any position while any probationary bargaining unit employee is still employed.
- (g) The procedure set out above shall be available for use by an employee who is replaced as a result of the bumping procedure. If an employee who has received a layoff notice wishes to exercise bumping rights, he/she must notify Human Resources Services within three (3) days after receiving the layoff notice.

Section 3 - Notice of Layoff.

The Service Unit Manager shall give written notice to the Director of Human Resources and Labor Relations and to the employees and Union of any proposed layoff. Such notice shall state the reasons therefore, and shall be submitted at least two (2) weeks before the effective date thereof. Employees who are laid off as a result of being bumped will be given seven (7) days notice.

Section 4 - Recall Procedure.

When the work force is increased after a layoff, employees will be recalled in inverse order of layoff. Notice of recall shall be sent to the employee at the last known address by registered mail or certified mail. If any employee fails to report for work within ten (10) days from the date of mailing of notice of recall, he/she shall be considered to have quit.

ARTICLE 18 - SICK LEAVE

The Family Medical Leave Act (FMLA) will be coordinated and applied under applicable Federal Law.

Section 1 - Accumulation.

Sick leave for employees, covered by this contract, shall be accrued and granted as follows:

- (a) Each employee of the City shall be entitled to sick leave of 3.7 sick leave hours per pay period. Employees who render part-time services shall be entitled to sick leave for the time actually worked at the same rate as that granted full-time employees.
- (b) Unused sick leave may be accumulated up to a maximum of nine hundred and sixty (960) hours, except as provided in sections 4 and 5 below.
- (c) Employees absent from work on legal holidays, during sick leave, during vacation, while on Workers' Compensation or on special leave of absence with pay, shall continue to accumulate sick leave at the regularly prescribed rate during such absences as though they were employed, subject to the maximum limitation herein provided.

Section 2 - Qualification.

When an employee finds it necessary to be absent for any reason, he/she shall notify his/her supervisor as to the reasons for using sick time before his/her regular time on the first working day of absence, and shall thereafter report on the working day prior to his/her next scheduled starting time (unless hospitalized or confined by a doctor) until he/she returns to work. If the supervisor is not present, the employee shall leave a message. Sick leave will not be granted unless such report has been made. If an employee is hospitalized or confined by a doctor, he/she does not have to report every day. However, a physician's statement attesting to such hospitalization or confinement may be required by the City.

If an employee is off on sick leave for five (5) consecutive days, a physician's statement shall be required indicating the nature of the sickness, and attesting to the employee's ability to return to work. The employee shall not be allowed to work until submitting such a statement and any additional time off which results from failure to submit the same shall be without pay.

Section 3 - Eligibility.

An employee eligible for sick leave may use such leave for absence due to his/her personal illness, for medical, dental, or optical appointments of themselves or

immediate family, and due to illness in the employee's immediate family which is limited to husbands, wives, domestic partners, children and parents provided the employee's absence is necessary. Upon approval of his/her Service Unit Manager, an employee may be absent due to exposure to contagious disease, which could be communicated to other employees.

Section 4 - Payment Option for Employees.

An employee who has accumulated the maximum of nine hundred and sixty (960) hours of sick leave credit shall be paid at the end of each calendar year of employment with the City, one-half of the unused sick leave credit above the nine hundred and sixty (960) hours accumulation authorized above, and the remaining one-half shall be added to the nine hundred and sixty (960) hours accumulation to be used for illness only. When an employee has accumulated more than nine hundred and sixty (960) hours, the amount over the one hundred twenty (120) days shall be used first.

If an employee chooses to elect this payment option, he/she must notify Payroll between December 1 and December 15. If no notification is received, his/her entire unused sick leave will be carried forward. This payment shall be made on the second pay in January of each year at the rate as of December 1.

Section 5 - Payment Upon Retirement or Death.

An employee who dies before retirement, or retires from the City service and is entered on the retirement or pension roll of the City shall, upon such death or retirement, be paid for his/her unused sick leave credit, at his/her current rate, at the time of death or retirement up to the maximum of nine hundred and sixty (960) hours plus (if nine hundred and sixty (960) hours) all of the unused sick leave days accumulated during the current year.

For purposes of computing final annual compensation for pension, employees who were members of this bargaining unit before July 1, 1980, shall have all of their allowable accumulated sick leave pay included in accordance with this article. Employees entering this bargaining unit on or after July 1, 1980, shall have none of their accumulated sick leave pay included unless transferring from other City employment to this bargaining unit. If an employee is transferring from another City position, said employee shall continue to have the same amount of sick leave included in final annual compensation as the employee had before. Employees laid off or bumped from this unit (unless they lose their seniority) shall return with the same benefit as to final annual compensation as when they were laid off or bumped.

ARTICLE 19 - HEALTH INSURANCE

The Employer agrees to the following conditions regarding health insurance:

Section 1 – Health Coverage

After three (3) months of employment, the City will provide health care coverage under a preferred provider organization program (the "PPO Plan") administered by Blue Cross-Blue Shield of Michigan, or similar third party administrator. Plan benefit provisions shall become effective November 15, 2006. Employees may elect coverage under the "High Option Plan" for which they shall pay a portion of the monthly premium contributions, or the "Low Option Plan" for which they shall pay no monthly premium contributions. Employees who elect coverage under the "High Option Plan" shall pay 10 percent of the medical premium each month, deducted from each member's paycheck before taxes. Such premium contributions shall be based upon the illustrative premium rates for all active employees which shall be effective on July 1, 2006, and subject to revision based upon all total active groups experience each subsequent July 1 for the duration of this contract.

Premium contributions for November 15, 2006 through June 30, 2007 will be \$39 per month for single, \$82 per month for double, and \$92 per month for family coverage. In months when there are three (3) pay periods, premium contributions shall be taken only from the first two (2) of such pay periods.

Section 2 - Eligibility

An employee may elect to purchase benefits at their own cost during the first three (3) months of employment. The City provides health insurance coverage to newly hired employees once they have completed their first three (3) months of employment. At the end of the three (3) month period, the City will assume full cost for the "Low Option Plan" or for the "High Option Plan" less the applicable premium contribution as described in the paragraph above, for single, two-person or family coverage, including spouse, domestic partners as defined by City Ordinance, or dependent children as defined in the health care plan (until the end of the calendar year in which they reach the age of 19 or 25). An employee shall not be able to change such election until the next Open Enrollment, or unless the employee has a change in family status. Employees promoted into this bargaining unit who, during the course of employment with the City, have served the probationary period and are currently receiving health care benefits through the City will continue with uninterrupted benefit coverage.

Section 3 – Health Coverage in Retirement

The City of Ann Arbor shall provide to all bargaining unit members retiring on or after November 15, 2006 (including their spouse and dependents as long as the retiree remains the subscriber), the level of coverage under the "High Option" or

"Low Option" PPO Plan as received by active employees as of the date of retirement, unless otherwise provided herein. Bargaining unit members, retiring under this contract, will be able to choose between the High Option/Low Options plan each year during the annual open enrollment period, or if experiencing a change in family status. Premium contributions under the "High Option" Plan shall be equal to the monthly amount for single, double, or family coverage then in effect at the date of retirement, payable each month. This benefit provision also applies to surviving spouses, domestic partners and eligible dependent children as defined in the health care plan (until the end of the calendar year in which they reach the age of 19 or 25) of deceased retirees.

<u>Deferred Retirement</u>: Employees who defer retirement are not eligible to receive health care coverage.

Retirees are required to have both Medicare Part A and Part B. The Medicare Part B premium remains the responsibility of the retiree. If an employee retires and assumes employment elsewhere and that employer provides health coverage to its employees which does not substantially differ from that offered by the City of Ann Arbor, the City's obligation to provide health coverage shall cease. However, should the retiree lose such coverage from the other employer for any reason, including voluntary or involuntary separation of employment, upon production of proof-of-loss to the City, such retiree may elect to reenroll under the City's health coverage. Such coverage shall be restored and recommence immediately following the production of such proof-of-loss. The City shall not prohibit a retiree from re-entering the City's health coverage for any reason upon loss of coverage from another program, and, further, the health coverage benefits provided upon return to City coverage will be the same as which the employee was entitled to upon retirement.

Section 4 – Health Coverage Cost Containment Waiver Program

Under specified conditions set forth in Attachment A, employees shall be able to waive their City health care coverage, and receive \$2,000 per year, payable quarterly. The City reserves the right to amend or terminate the program at any time during Open Enrollment to be effective as of the upcoming July 1.

Section 5 – Health Reimbursement Account

Effective November 15, 2006, the City shall establish a health reimbursement account on behalf of each employee with three (3) or more months of employment, and for newly hired employees will establish such an account after three (3) months of employment. The amount of City contribution to the employee's account for the first year of this contract is \$1,000, and for the year beginning July 1, 2007, is \$1,000, and for newly hired employees will be prorated by months of service during the first fiscal year of employment. Unused amounts in this account may be carried forward each year. An employee who retires and begins to receive pension benefit payments from the City's defined benefit

pension plan will be able to access unused funds, but no new contributions will be made to a retiree's account. An employee who otherwise separates from City employment for any reason will forfeit any unused funds. An employee who waives coverage and receives payments under the City's Health Care Waiver Program shall not have contributions made to such account for that plan year. Health Reimbursement Accounts are non-interest bearing accounts.

ARTICLE 20 - DENTAL INSURANCE

After three (3) months of employment, employees, their spouse, domestic partner and eligible dependents under age 19 shall be provided a "75%(Class I)/50%(Class II and III) Delta Dental Plan" or its satisfactory equivalent with a maximum benefit of \$2000 per year per person. The City shall also provide an orthodontics rider providing 50% co-payment for employees' dependent children up to their 19th birthday with a \$2000 lifetime maximum per person, provided, however, that benefits will be paid after attainment of age 19 for continuous treatment which began prior to such age.

ARTICLE 21 - VISION INSURANCE

The City of Ann Arbor shall provide to each member of the bargaining unit (after six months of employment), a \$200 maximum benefit every 24 months through Mutual Eye Claim Audits, Inc. or its satisfactory equivalent for optical expenses for the employee and their spouse or domestic partner. Also provided is a \$200 maximum benefit every 12 months for eligible dependents under age 19. Covered expenses include lenses, frames and contact lenses. This benefit includes a vision examination plus \$200 towards covered expenses for the employee, their spouse, domestic partner and eligible dependents every two (2) years.

ARTICLE 22 - LIFE INSURANCE

Section 1 - Basic Life Insurance.

The City will provide and pay the premium for a \$15,000 Basic Life Insurance policy on all employees who have completed their probationary period. The City further agrees to pay the cost of \$5,000 of Basic Life Insurance for retiring employees who have completed ten (10) or more years with the City and are retiring on a City pension. Employees taking a deferred retirement do not receive this benefit.

Section 2 - Optional Life Insurance.

Employees may elect Optional Life Insurance of an amount equal to twice their base annual salary, with the City paying one-half (1/2) and the employee paying one-half (1/2) of the true cost of this additional insurance. Employees may elect this insurance within thirty (30) days of initial eligibility, which is their date of hire or date of promotion into the bargaining unit. If not elected at this time, Optional Life Insurance can be applied for only during an annual open enrollment and will be subject to Late Applicant approval which requires proof of good health. Retiring employees, as identified in Section 1, who continue to have Basic Life Insurance paid for by the City, may convert their Optional Life Insurance into a personal (individual) policy at retirement without proof of insurability. The premium for this coverage shall be paid entirely by the retiree directly to the life insurance company.

Section 3 - Dependent Life Insurance.

Employees may elect Dependent Life Insurance of an amount as follows:

Coverage for:	<u>Amount</u>
Spouse, Domestic Partner	\$10,000
Children:	
Birth to age 6 mos. Age 6 mos. to age 19 years Full-time students age 19-23	\$ 1,000 \$ 7,000 \$ 7,000

The cost of Dependent Life Insurance is the responsibility of the employee and will be paid for through payroll deduction. Retiring employees as identified in Section 1. who continue to have Basic Life Insurance paid for by the City, may convert their Dependent Life Insurance into a personal (individual) policy at retirement without proof of insurability. The premium for this coverage shall be paid entirely by the retiree directly to the life insurance company.

ARTICLE 23 - 30-Day Rule for Benefits

Employees, retirees, and surviving spouses or domestic partners must report major life event changes to the Benefits office within thirty (30) days of the event in order to add or delete persons from their benefit plans (health, dental, vision, life insurance). Major life event changes impact eligibility for benefits. Such life event changes include: marriage, declaring a domestic partnership as defined by City Ordinance, birth of a child, divorce, ending a domestic partnership as defined by City Ordinance, legal adoption, legal guardianship, death, marriage of a child, loss of health insurance under another plan. Notification beyond thirty (30) days of the event will delay any additions of persons to benefits until the next open enrollment period. If failure to report the event within thirty (30) days results in additional benefit costs by the City, the employee/retiree may be held responsible for such costs. Surviving spouses who remarry, or domestic partners who declare a new domestic partnership as defined by City Ordinance, after the death of the retiree may not add a new spouse, domestic partner, or dependent child to City benefit plans.

<u>ARTICLE 24 – Employees/Retirees Married to Employees/Retirees</u>

Where two employees/retirees are eligible for benefits and are legally married to each other or have declared a domestic partnership as defined by City Ordinance, they will be enrolled under one contract as a subscriber and spouse or domestic partner and receive benefits under one contract (health, dental, vision, dependent life insurance). This applies to any eligible employee/retiree relationship. However, each employee is entitled to Basic and Optional life insurance coverage.

ARTICLE 25 - VACATION LEAVE

Section 1 - Definition.

Employees shall accrue vacation for any given year on the basis of accumulating one-twenty-sixth of their annual vacation for each full pay period in which said employee is listed on the City payroll in accordance with the following schedule (with a pro-rata reduction for employees not in a pay status during the pay period:)

Up to 5 years of service 4.62 hours 6 to 10 years of service 5.54 hours 11 to 15 years of service 6.16 hours 16 to 21 years of service 6.77 hours Over 21 years of service 7.7 hours

An employee shall not be allowed to take vacation leave until completion of six (6) months of regular employment. Part-time employees shall receive vacation on this basis prorated according to actual time worked; temporary and seasonal full-time or part-time employees shall not be granted vacation with pay.

Accumulated vacation leave cannot be transferred from one employee to another employee.

Absence on account of sickness, injury or disability in excess of that hereinafter authorized for such purposes may, at the request of the employee and within the discretion of the Service Unit Manager, be charged against the employee's vacation leave allowance.

Section 2 - Accrual.

Employees shall take yearly vacations and in no case shall an employee be allowed to accrue more than twice the amount of annual vacation to which he/she is entitled. If the amount of accrued vacation exceeds twice the amount of the annual vacation to which the person is entitled, it shall be permanently lost as of December 31 and the employee shall not be allowed to receive compensation for this loss. An extension of this requirement may be granted, for a period not to exceed one year, by the City Administrator.

Section 3 - Vacation Pay Upon Separation.

Employees separated from the City service shall be paid at their normal salary rate for their unused vacation, not to exceed the amount of vacation an employee is eligible to accrue in two (2) years.

ARTICLE 26 - HOLIDAYS

Section 1 - Designation.

All employees of the City shall receive their regular compensation for the following holidays or parts thereof, and any other day or part of a day proclaimed in writing as a City holiday by the Mayor upon the recommendation of the City Administrator, during which the public offices of the City are closed:

New Year's Day
Martin Luther King's Birthday
Presidents' Day
Good Friday (one-half day)
Memorial Day
July 4
Labor Day
Veteran's Day
Thanksgiving Day
Day after Thanksgiving
Christmas Day
One-half day before Christmas
One-half day before New Year's Day
Employee's Birthday

If a holiday falls on Saturday, the Friday preceding shall be the holiday. If the holiday falls on Sunday, the Monday following shall be the holiday.

Employees whose regularly scheduled work day falls on Easter Sunday and who actually works on said day, shall be compensated at a rate of time and one-half times their hourly rate.

Instead of taking their actual birthday off, employees may take off as the birthday holiday any workday within fourteen (14) calendar days before or after their actual birthday upon their request in accordance with operational requirements. The employee must notify his/her supervisor seven (7) calendar days prior to taking the birthday holiday.

ARTICLE 27 - PENSION

The Pension Ordinance, as adopted by City Council in 1968, is hereby incorporated and made a part of this Agreement except that effective July 1, 2001 all employees in the bargaining unit shall be entitled to full retirement at age 50 with 25 years of service or age 60 with 5 years of service. Such an employee may retire early with 20 years of service but not prior to age 50. The early retirement reduction factor will remain at .33% for each month or fraction of a month that they retire prior to their regular retirement date. If improvements occur in the City's pension plan during the term of this Agreement, the City agrees, at the Union's request to reopen the contract to negotiate for pension plan adjustments only.

ARTICLE 28 - LONGEVITY PAYMENTS

Employees covered under this Agreement will receive cash bonus allotments - longevity payments - according to the following schedule:

After 5 years of continuous employment	\$ 300.00
After 10 years of continuous employment	600.00
After 15 years of continuous employment	900.00
After 20 years of continuous employment	1,200.00
After 25 years of continuous employment	1,500.00

The above cash payment will be paid to the employee, upon completion of a full year of employment, in the month following the employee's anniversary date. Should an employee leave City service and is eligible for longevity pay, such pay will be prorated and paid based upon actual anniversary date.

This cash payment will be in a separate check and not a part of the base salary with the exception of earned annual income for the purpose of retirement calculations.

The cash payment for longevity will be subject to deductions as prescribed by Federal, State, and Local government existing at the time of this payment. The pension deduction is applicable in this cash payment.

ARTICLE 29 - GENERAL

Section 1 - Rules and Regulations.

The City or the Service Area/Unit may promulgate reasonable HR Policies and Procedures or Service Area/Unit Specific Policies for use in the City or in the Service Area/Unit. These rules must be submitted by the Director of Human Resources and Labor Relations if they are City rules and by the Service Area Administrator if they are Service Area/Unit Specific Policies or departmental rules, to the City Administrator and they shall become effective upon the City Administrator's approval. Any conflict between the City HR Policies and Procedures, Service Area/Unit specific or departmental rules and this Agreement, this Agreement shall take precedence. These Policies and Procedures and/or rules shall be posted permanently and a copy sent to each member of the unit. A meeting shall be held with Union Representatives to discuss their views of the rules prior to implementation.

Section 2 - Jury Duty.

An employee who is required to report for and/or perform jury duty as prescribed by applicable law shall be paid the difference between what the employee receives from the Court as daily jury duty fees and what the employee's regular wages would have been for the day provided the pay from jury duty on a work day is forwarded to Payroll when received. This provision shall not apply for any day upon which the employee was excused from jury duty in time to reasonably permit him/her to return to work for two (2) or more hours unless such employee does so return to work. In order to receive the payment above referred to, an employee must give the Employer notice as soon as possible that they will be required to report for jury duty and must furnish satisfactory evidence that he/she reported and/or performed such jury duty for the hours for which they claim payment.

Section 3 - Committees.

- (a) <u>Safety Committee</u>: The Union shall have a representative of their choosing on the City Safety Committee.
- (b) Bargaining Committee: The Bargaining Committee of the Union will include not more than five (5) members made up of City employees and non-employees representative of Local 214 (not more than one (1) in number). The Union will give management, in writing, the names of its employee representatives on the Bargaining Committee. The Employer will give the Union in writing, the names of representatives on the Bargaining Committee. Other persons associated with either party may attend the bargaining sessions by mutual agreement.

Employee members of the Bargaining Committee will be paid by the City for time spent during their normal working day in negotiations with the City but only for the straight time hours they would otherwise have worked on their regular work schedule. The regular working day hours spent in negotiations shall be included in the computation of the employee's regular forty (40) hour workweek. Any hours the employee is required to work his/her regular work station over forty (40) hours, which may have included time spent in negotiations, shall be compensated within the contractually agreed upon manner.

Anyone working on the Bargaining Committee will be considered as working 7 a.m. - 3:30 p.m. for the duration of contract negotiations on the days of negotiations.

(c) <u>Joint Labor Management Advisory Committee</u>: The City and the Union shall establish and maintain a Joint Labor Management Advisory Committee composed of six (6) members, three (3) of whom shall be appointed by the City Administrator and three (3) of whom shall be appointed by the Chief Steward. This Committee shall meet quarterly and meetings will not extend beyond the normal working day.

It is agreed that the purpose of this Committee shall be to accomplish, through cooperative effort, the mutual objectives of increased efficiency and productivity and improved conditions of employment.

The Committee shall not engage in collective bargaining, nor shall matters considered by this Committee be subject to grievances or arbitration arising out of Committee discussion, and the adoption of any suggestions remains a management prerogative.

Either group, by agreement of the co-chairpersons, may invite persons from their respective groups who might have particular expertise in a subject under discussion by the Committee.

Section 4 - Pay Period.

All employees covered by this Agreement shall be paid in full bi-weekly. Not more than seven (7) days shall be held from an employee. Each employee shall be provided with an itemized statement of his/her earnings and of all deductions made for any purpose upon request of individual employees or Union representatives with permission of the employee.

Section 5 - Financial Institution.

The Employer agrees to deduct from each employee who so authorized it in writing a specified sum each and every payroll and to pay this sum to a Financial Institution not less frequently than biweekly. The employee may revoke at any time this authorization and assignment by filing with the Employer and the Financial Institution a statement in writing that he/she does not wish the Employer to continue making such deductions provided that such revocation shall not be effective for ten (10) days from the date it is received by both the Employer and the Financial Institution.

Section 6 - Bulletin Boards.

The Employer will provide a bulletin board in all City buildings which may be used by the Union for posting notices including but not limited to notices of the following types:

- (a) Notices of recreational and social events
- (b) Notices of elections
- (c) Notices of results of elections
- (d) Notices of meetings
- (e) Miscellaneous items placed on the board by employees, such as "For Sale" notices
- (f) Union activities

Section 7 - Loss Damage.

No employee shall 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 such loss or damage is caused by the employee's proven negligence.

Section 8 - Examinations.

The Employer will pay the cost of the yearly physical examination at no cost to the employee if such examination is required by the Employer.

Section 9 - First Aid.

The Employer will furnish First Aid Kits for each unit of equipment.

Section 10 - Supervision.

The Employer agrees that members of this unit, being supervisors, under normal circumstances, will not be asked to do work that is normally performed by employees who are supervised by members of this bargaining unit.

Section 11 - Operations.

Prior to any major operational changes being implemented, the Employer shall notify the Union of such change and a meeting will be arranged between representatives of the City, the service unit involved and the Union.

Section 12 - Bonds.

Should the Employer require any employee to give bond, cash bond shall not be compulsory and any premium involved shall be paid by the Employer. Cancellation of a bond after once issued shall not be cause for discharge unless the bond is canceled for cause which occurs during working hours or due to the employee having given a fraudulent statement in obtaining said bond.

Section 13 - Contracts.

The Union recognizes that the City has statutory and charter rights and obligations in contracting for matters relating to municipal operations. The right of contracting or subcontracting is vested in the City. The right to contract or subcontract shall not be used for the purpose or intention of undermining the Union nor to discriminate against any of its members.

If such contracting results in the elimination of bargaining unit positions, and if the employee has been unable to transfer into another bargaining unit position from time of notification of the decision to contract out work until the effective date of the contracting out of work, then employees in those positions will be offered another job with the City at the employee's then current rate of pay. When possible, such reduction shall be made by attrition.

Employees who are in positions that are designated to be eliminated must make efforts to transfer into vacant bargaining unit positions from the date they are notified that their position will be eliminated.

Employees shall be recalled for vacant or newly created bargaining unit positions in accordance with the recall provisions of this Agreement. Positions that have been designated to be eliminated at a future date may be filled by temporary employees.

Section 14 - Provisions Contrary to Law.

If during the life of this Agreement, any of the provisions contained herein are held to be invalid by operation of law or by any tribunal of competent jurisdiction or if compliance with or enforcement of any provisions should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement shall not be affected thereby. In the event any provisions herein contained are so rendered invalid, upon written request by either party hereto, the

Employer and the Union shall enter into collective bargaining for the purpose of negotiating a mutually satisfactory replacement for such provisions.

Section 15 - 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 Employer 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 subjects or matters may not have been within the knowledge or contemplations of either or both of the parties at the time they negotiated and signed this Agreement.

Section 16 - Union Visitation.

- (a) Upon notification to the office of the City Administrator, 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.
- (b) Upon approval of the office of the City Administrator, the Union shall have the right to examine time sheets and other records pertaining to the computation of compensation of any employee whose pay is in dispute or any other records of the employee pertaining to a specific grievance, at a reasonable time with employee consent.

Section 17 – Washrooms and Lockers.

The Employer will continue to provide washrooms and lockers where now provided for the changing and storing of clothing. Lockers of individuals will not be opened for inspection except in case of a court order, or with permission of and in the presence of the employee and his/her designated representative and steward.

Section 18 – Legal Assistance.

The Employer will provide to the employee such legal assistance as will be required or needed as a result of the acts occurring when and while said employee is in the performance of his/her duties and responsibilities. Such legal assistance may not be provided in cases of criminal prosecution or cases where the City is an adverse party. If such assistance is denied, the City Administrator shall provide the reasons for denial in writing. Any denial may not be arbitrary or capricious.

Section 19 – Payment of Back Pay Claims.

If the Employer fails to give and employee work to which his/her seniority and qualifications entitle him/her and such work does exist, a written notice of his/her claim is filed within thirty (30) days of the time the Employer first failed to give him/her such work, the employee may file a grievance under the grievance procedure and, if successful in the grievance, the Employer will reimburse him/her for the earnings he/she lost through failure to give him/her such work.

Section 20 – Computation of Back Wages.

No claim for back wages shall exceed the amount of wages the employee would otherwise have earned at his/her regular rate.

Section 21 – Computation of Benefits.

Any compensable day shall be considered a day worked for the purpose of computing benefits under this Agreement unless otherwise limited by this Agreement.

Section 22 - Veterans.

- (a) Employees who enter into active military duty will be granted military leave and re-employment consistent with the provisions in the Uniformed Services Employment and Reemployment Rights Act (USERRA).
- (b) Employees who are in some branch of the Armed Forces Reserve or the National Guard will be paid the difference between their reserve pay and their regular pay with the City when they are on full time active duty in the Reserve and National Guard, provided proof of service and pay is submitted. A maximum of two weeks per year is the normal limit, except the Employer may extend this limit in proper cases.

Section 23 – Uniforms.

The Employer will provide winter and summer uniforms where required.

ARTICLE 30 - CERTIFICATION PREMIUM PAY

Certification Premium Pay is intended to provide additional compensation for the acquisition of certifications or licenses over and above the requirements of the classification as mutually agreed upon by the Union and Employer. The specific job descriptions and related progression models denote if the position classification provides for certification premium pay. The following classifications include eligibility for premium pay:

Fleet and Facilities Supervisor (Lead, Level 3) Inspection Supervisor Field Operations Supervisor (Lead, Level 5) Water Utility Supervisor

ARTICLE 31 - CLASSIFICATIONS IN BARGAINING UNIT

The following schedule shows all classifications in this bargaining unit:

Classification	<u>on</u>	<u>Range</u>
190004	Fleet & Facilities Supervisor I	24
190014	Fleet & Facilities Supervisor II	29
190024	Fleet & Facilities Supervisor III	32
190025	Fleet & Facilities Supervisor III	32cp*
190100	Volunteer & Outreach Coordinator NAP	24
190114	Recreation Facility Supervisor I	24
190124	Recreation Facility Supervisor II	28
190134	Recreation Facility Supervisor III	32
192050	Technician Supervisor	30
192100	Field Operations Supervisor I	24
192110	Field Operations Supervisor II	26
192120	Field Operations Supervisor III	28
192130	Field Operations Supervisor IV	30
192140	Field Operations Supervisor V	33
192141	Field Operations Supervisor V	33cp*
192830	Inspection Supervisor	33
192831	Inspection Supervisor	33cp*
193050	NAP Technician	26
194510	Call Center Supervisor	30
196080	Housing Program Manager	24
196281	Maintenance Technical Supervisor	27cp*
196704	Community Standards Supervisor I	25
196714	Community Standards Supervisor II	27
196724	Community Standards Supervisor III	32
196800	Records and Data Unit Supervisor	26
196930	Environmental Lab Supervisor	31
197400	Water Utility Supervisor I	26
197401	Water Utility Supervisor I	26cp*
197410	Water Utility Supervisor II	29
197411	Water Utility Supervisor II	29cp*
197420	Water Utility Supervisor III	31
197421	Water Utility Supervisor III	31cp*
198660	Maintenance Supervisor/Housing Commission	23

^{*}cp denotes this position is eligible for certification pay under Article 30

ARTICLE 32 - WAGES

Section 1 - Rates.

The pay rates in effect as of 7/1/06 will be as follows:

July 1, 2006

\$1550* lump sum payment for members receiving a step increase

\$2800* lump sum payment for members currently stepped out, maxed out and who have not attained the highest level in their job progression where applicable.

*Option to defer into 457 account

July 1, 2007

2.0% increase to wage structure

1.5% continuous improvement pay-for-performance fund, as defined in Appendix C, paid as a lump sum

Section 3 - Cap.

It is not the policy of the City of Ann Arbor to establish or maintain any "cap" on the salary ranges, which may be included within the Local 214 Supervisory Bargaining Unit.

Section 4 - Overpayment.

The City is granted the right to withhold wage overpayments from individual employee's subsequent pay. The amount to be deducted per paycheck is limited to the amount of the overpayment per paycheck. In cases where the amount to be deducted would cause an undue hardship, another mutually agreeable arrangement may be made.

Section 5 – Deferred Compensation.

By participating in the City of Ann Arbor I.C.M.A. Deferred Compensation Plan, the City shall contribute, for each bargaining unit employee who is participating in and contributing a minimum of \$25 per pay period to the I.C.M.A. Plan, \$20 per pay period into the I.C.M.A. Deferred Compensation Plan.

ARTICLE 33 - DURATION OF AGREEMENT

This Agreement shall become effective upon its date of execution and shall remain in full force and effect through the 30th day of June, 2009 and from year to year thereafter unless either party hereto serves a written notice upon the other at least sixty (60) calendar days prior to the expiration date or sixty (60) calendar days prior to the expiration of any subsequent automatic renewal period of its intention to amend, modify, or terminate this Agreement.

The City and Union agree to a wage, healthcare and pay for performance reopener July 1, 2008.

LETTER OF UNDERSTANDING

Layoffs

It is understood that in the event of permanent layoff involving represented employees (i.e. the employee is not placed in another City position and has not returned to City employment for a period in excess of ninety (90) days) assigned to one of the facilities below, the laid-off employee would receive, in addition to State unemployment benefits, up to sixteen weeks of severance pay. Length of eligibility for severance pay will be based on the employee's length of service with the City. One year of service will qualify the employee to one week of severance pay, up to a maximum of sixteen (16) weeks of severance. Severance pay will be calculated by using the employee's hourly rate of pay times forty (40) hours times the number of weeks of severance pay eligibility.

Argo Pond Recreation Facility; Burns Parks Senior Center; Buhr Park Recreation Facility; Cobblestone Farm; Community Outreach; Fuller Park Recreation Facility; Gallup Park Recreation Facility; Huron Hills Golf Course; Leslie Golf Course; Leslie Science Center; Mack Recreation Facility; Veterans Park Recreation Facility.

IN WITNESS WHEREOF the parties hereto have caused the instrument to be executed on the day and year first above written.

CITY OF ANN ARBOR	CIVILIAN TEAMSTERS SUPERVISORS TEAMSTERS LOCAL 214
Roger Fraser City Administrator	Jeffrey Ellis Chief Steward Civilian Teamster Supervisors
Date	 Date
	TEAMSTERS LOCAL 214
	Dennis Rasch Business Representative Teamsters Local 214
	 Date

APPENDIX A Health Insurance Cost Containment Waiver Program

Waiver Program. Regular full-time or part-time employees who have completed the probationary period may waive the City of Ann Arbor's health care coverage when first eligible, during Open Enrollment, or within 30 days of a "life event". To take advantage of this cost containment program, an employee must complete and submit the *Health Care Coverage Waiver Form* and the *Health Care Coverage Enrollment / Change Form* to the Benefits Staff of Human Resources Services.

The above-referenced forms must be completed each year during the annual Open Enrollment, or within 30 days of a "life event".

Eligibility. Regular full-time or part-time employees who are covered under another group health plan are eligible for the *Waiver Program*. An employee is not eligible if such employee is enrolled as a dependent in the City of Ann Arbor's program through a current active employee or retiree. An employee must be actively employed on the last day of the calendar quarter to be eligible for payment.

Amount of Payment. In return, the employee will receive a \$2,000 (\$1800 for health, \$150 for dental, \$50 for vision) payment for the Plan Year for which the employee elects not to participate in the City's health care programs. This payment is included in an employee's taxable gross income and subject to all appropriate state and federal taxes and pension contributions. Payments will consist of four quarterly payments of up to \$500 as follows:

Quarter 1 (July – September)	1 st pay in October
Quarter 2 (October – December)	1 st pay in January
Quarter 3 (January – March)	1 st pay in April
Quarter 4 (April – June)	1 st pay in July

If an employee enters the program during a quarter, the payment will be prorated by month.

Re-Entry Into the City's Health Coverage Programs. Employees who elect to waive the City's health care coverage may re-enter the City's program during Open Enrollment or if the employee loses coverage under an alternate arrangement. The employee must provide written proof of such loss within 30 days from the date of loss. If a payment has been made to an employee for a period in which such employee re-enters coverage under the City's programs, then the employee must repay to the City the amount paid for the period.

The City of Ann Arbor reserves the right to amend or terminate this program at any time, and if so, will announce the change during Open Enrollment, and the change will be effective for that upcoming Plan Year for which such Open Enrollment is occurring.

APPENDIX B Pay Scales

Range	<u>Step 1</u>	<u>Step 2</u>	Step 3	<u>Step 4</u>	<u>Step 5</u>	Step 6
Range 16	42,078.40	42,972.80	43,971.20	45,011.20	46,176.00	47,257.60
	1,618.40 20.23	1,652.80 20.66	1,691.20 21.14	1,731.20 21.64	1,776.00 22.20	1,817.60 22.72
Range 17	42,972.80 1,652.80	43,971.20 1,691.20	45,011.20 1,731.20	46,176.00 1,776.00	47,257.60 1,817.60	48,505.60 1,865.60
	20.66	21.14	21.64	22.20	22.72	23.32
Range 18	43,971.20 1,691.20	45,011.20 1,731.20	46,176.00 1,776.00	47,257.60 1,817.60	48,505.60 1,865.60	49,753.60 1,913.60
	21.14	21.64	22.20	22.72	23.32	23.92
Range 19	45,011.20 1,731.20 21.64	46,176.00 1,776.00 22.20	47,257.60 1,817.60 22.72	48,505.60 1,865.60 23.32	49,753.60 1,913.60 23.92	50,856.00 1,956.00 24.45
Range 20	46,176.00 1,776.00	47,257.60 1,817.60	48,505.60 1,865.60	49,753.60 1,913.60	50,856.00 1,956.00	52,020.80 2,000.80
	22.20	22.72	23.32	23.92	24.45	25.01
Range 20A	47,320.00 1,820.00	48,464.00 1,864.00	49,753.60 1,913.60	50,918.40 1,958.40	52,145.60 2,005.60	53,289.60 2,049.60
	22.75	23.30	23.92	24.48	25.07	25.62
Range 21	47,257.60 1,817.60	48,505.60 1,865.60	49,753.60 1,913.60	50,856.00 1,956.00	52,020.80 2,000.80	53,248.00 2,048.00
	22.72	23.32	23.92	24.45	25.01	25.60
Range 21.5	42,660.80 1,640.80	48,734.40 1,874.40	50,086.40 1,926.40	51,521.60 1,981.60	53,040.00 2,040.00	54,350.40 2,090.40
	20.51	23.43	24.08	24.77	25.50	26.13
Range 22	48,505.60 1,865.60	49,753.60 1,913.60	50,856.00 1,956.00	52,020.80 2,000.80	53,248.00 2,048.00	54,537.60 2,097.60
	23.32	23.92	24.45	25.01	25.60	26.22
Range 23	49,753.60 1,913.60	50,856.00 1,956.00	52,020.80 2,000.80	53,248.00 2,048.00	54,537.60 2,097.60	56,097.60 2,157.60
	23.92	24.45	25.01	25.60	26.22	26.97
Range 23A	50,918.40	52,145.60	53,289.60	54,579.20	55,910.40	57,532.80
	1,958.40 24.48	2,005.60 25.07	2,049.60 25.62	2,099.20 26.24	2,150.40 26.88	2,212.80 27.66

Range	<u>Step 1</u>	Step 2	Step 3	Step 4	<u>Step 5</u>	Step 6
Range 23B	52,187.20 2,007.20	53,435.20 2,055.20	54,579.20 2,099.20	55,931.20 2,151.20	57,262.40 2,202.40	58,947.20 2,267.20
	25.09	25.69	26.24	26.89	27.53	28.34
Range 24	50,856.00	52,020.80	53,248.00	54,537.60 2,097.60	56,097.60	57,408.00
	1,956.00 24.45	2,000.80 25.01	2,048.00 25.60	26.22	2,157.60 26.97	2,208.00 27.60
Range 24A	52,145.60	53,289.60	54,579.20	55,910.40	57,532.80	58,843.20
	2,005.60	2,049.60	2,099.20	2,150.40	2,212.80	2,263.20
	25.07	25.62	26.24	26.88	27.66	28.29
Range 24B	53,425.20	54,579.20	55,931.20	57,262.40	58,947.20	60278.40
	2,055.20	2,099.20	2,151.20	2,202.40	2,267.20	2,318.40
	25.69	26.24	26.89	27.53	28.34	28.98
Range 25	52,020.80	53,248.00	54,537.60	56,097.60	57,408.00	58,884.80
	2,000.80	2,048.00	2,097.60	2,157.60	2,208.00	2,264.80
	25.01	25.60	26.22	26.97	27.60	28.31
Range 25A	53,289.60	54,579.20	55,910.40	57,532.80	58,843.20	60,382.40
	2,049.60	2,099.20	2,150.40	2,212.80	2,263.20	2,322.40
	25.62	26.24	26.88	27.66	28.29	29.03
Range 26	53,248.00	54,017.60	56,097.60	57,408.00	58,884.80	60,382.40
-	2,048.00	2,097.60	2,157.60	2,208.00	2,264.80	2,322.40
	25.60	26.22	26.97	27.60	28.31	29.03
Range 26A	54,579.20	55,910.40	57,532.80	58,843.20	60,382.40	61,880.00
•	2,099.20	2,150.40	2,212.80	2,263.20	2,322.40	2,380.00
	26.24	26.88	27.66	28.29	29.03	29.75
Range 27	54,017.60	56,097.60	57,408.00	58,884.80	60,382.40	61,838.40
	2,097.60	2,157.60	2,208.00	2,264.80	2,322.40	2,378.40
	26.22	26.97	27.60	28.31	29.03	29.73
Range 27A	55,910.40	57,532.80	58,843.20	60,382.40	61,880.00	63,398.40
	2,150.40	2,212.80	2,263.20	2,322.40	2,380.00	2,438.40
	26.88	27.66	28.29	29.03	29.75	30.48
Range 28	56,097.60	57,408.00	58,884.80	60,382.40	61,838.40	63,440.00
	2,157.60	2,208.00	2,264.80	2,322.40	2,378.40	2,440.00
	26.97	27.60	28.31	29.03	29.73	30.50
Range 29	57,408.00	58,884.80	60,382.40	61,838.40	63,440.00	64,916.80
	2,208.00	2,264.80	2,322.40	2,378.40	2,440.00	2,496.80
	27.60	28.31	29.03	29.73	30.50	31.21
Range 29A	58,843.20	60,382.40	61,880.00	63,398.40	65,000.00	66,518.40
	2,263.20	2,322.40	2,380.00	2,438.40	2,500.00	2,558.40
	28.29	29.03	29.75	30.48	31.25	31.98

Range	<u>Step 1</u>	Step 2	Step 3	Step 4	Step 5	<u>Step 6</u>
Range 30	58,884.80	60,382.40	61,838.40	63,440.00	64,916.80	66,601.60
	2,264.80	2,322.40	2,378.40	2,440.00	2,496.80	2,561.60
	28.31	29.03	29.73	30.50	31.21	32.02
Range 30A	60,382.40	61,880.00	63,398.40	65,000.00	66,518.40	68,265.60
	2,322.40	2,380.00	2,438.40	2,500.00	2,558.40	2,625.60
	29.03	29.75	30.48	31.25	31.98	32.82
Range 31	60,382.40	61,838.40	63,440.00	64,916.80	66,601.60	68,411.20
	2,322.40	2,378.40	2,440.00	2,496.80	2,561.60	2,631.20
	29.03	29.73	30.50	31.21	32.02	32.89
Range 31A	61,880.00	63,398.40	65,000.00	66,518.40	68,265.60	70,116.80
	2,380.00	2,438.40	2,500.00	2,558.40	2,625.60	2,696.80
	29.75	30.48	31.25	31.98	32.82	33.71
Range 32	61,880.00	63,377.60	65,020.80	66,539.20	68,265.60	70,116.80
	2,380.00	2,437.60	2,500.80	2,559.20	2,625.60	2,696.80
	29.75	30.47	31.26	31.99	32.82	33.71
Range 32A	63,419.20	64,958.40	66,664.00	68,224.00	69,950.40	71,884.80
	2,439.20	2,498.40	2,564.00	2,624.00	2,690.40	2,764.80
	30.49	31.23	32.05	32.80	33.63	34.56
Range 33	63,419.20	64,958.40	66,664.00	68,224.00	69,950.40	71,884.80
	2,439.20	2,498.40	2,564.00	2,624.00	2,690.40	2,764.80
	30.49	31.23	32.05	32.80	33.63	34.56
Range 33A	65,000.00	66,601.60	68,348.80	69,908.80	71,676.80	73,652.80
	2,500.00	2,561.60	2,628.80	2,688.80	2,756.80	2,832.80
	31.25	32.02	32.86	33.61	34.46	35.41
Range 34	65,000.00	66,580.80	68,328.00	69,929.60	71,697.60	73,673.60
	2,500.00	2,560.80	2,628.00	2,689.60	2,757.60	2,833.60
	31.25	32.01	32.85	33.62	34.47	35.42
D 25	66 600 40	CO 244 00	70.022.62	71 (7 (00	70 406 40	75.504.00
Range 35	66,622.40	68,244.80	70,033.60	71,676.80	73,486.40	75,524.80
	2,562.40	2,624.80	2,693.60	2,756.80	2,826.40	2,904.80
	32.03	32.81	33.67	34.46	35.33	36.31

Range	Step 1	Step 2	Step 3	Step 4	<u>Step 5</u>	Step 6
Range 16	42,910.40	43,825.60	44,844.80	45,905.60	47,091.20	48,193.60
	1,650.40	1,685.60	1,724.80	1,765.60	1,811.20	1,853.60
	20.63	21.07	21.56	22.07	22.64	23.17
Range 17	43,825.60	44,844.80	45,905.60	47,091.20	48,193.60	49,483.20
	1,685.60	1,724.80	1,765.60	1,811.20	1,853.60	1,903.20
	21.07	21.56	22.07	22.64	23.17	23.79
Range 18	44,844.80	45,905.60	47,091.20	48,193.60	49,483.20	50,752.00
	1,724.80	1,765.60	1,811.20	1,853.60	1,903.20	1,952.00
	21.56	22.07	22.64	23.17	23.79	24.40
Range 19	45,905.60	47,091.20	48,193.60	49,483.20	50,752.00	51,875.20
	1,765.60	1,811.20	1,853.60	1,903.20	1,952.00	1,995.20
	22.07	22.64	23.17	23.79	24.40	24.94
Range 20	47,091.20	48,193.60	49,483.20	50,752.00	51,875.20	53,060.80
	1,811.20	1,853.60	1,903.20	1,952.00	1,995.20	2,040.80
	22.64	23.17	23.79	24.40	24.94	25.51
Range 20A	48,276.80	49,441.60	50,752.00	51,937.60	53,185.60	54,350.40
	1,856.80	1,901.60	1,952.00	1,997.60	2,045.60	2,090.40
	23.21	23.77	24.40	24.97	25.57	26.13
Range 21	48,193.60	49,483.20	50,752.00	51,875.20	53,060.80	54,308.80
	1,853.60	1,903.20	1,952.00	1,995.20	2,040.80	2,088.80
	23.17	23.79	24.40	24.94	25.51	26.11
Range 21.5	43,513.60	49,712.00	51,084.80	52,561.60	54,100.80	55,432.00
	1,673.60	1,912.00	1,964.80	2,021.60	2,080.80	2,132.00
	20.92	23.90	24.56	25.27	26.01	26.65
Range 22	49,483.20	50,752.00	51,875.20	53,060.80	54,308.80	55,619.20
	1,903.20	1,952.00	1,995.20	2,040.80	2,088.80	2,139.20
	23.79	24.40	24.94	25.51	26.11	26.74
Range 23	50,752.00	51,875.20	53,060.80	54,308.80	55,619.20	57,220.80
	1,952.00	1,995.20	2,040.80	2,088.80	2,139.20	2,200.80
	24.40	24.94	25.51	26.11	26.74	27.51
Range 23A	51,937.60	53,185.60	54,350.40	55,660.80	57,033.60	58,676.80
	1,997.60	2,045.60	2,090.40	2,140.80	2,193.60	2,256.80
	24.97	25.57	26.13	26.76	27.42	28.21
Range 23B	53,227.20	54,496.00	55,660.80	57,054.40	58,406.40	60,132.80
	2,047.20	2,096.00	2,140.80	2,194.40	2,246.40	2,312.80
	25.59	26.20	26.76	27.43	28.08	28.91

Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Range 24	51,875.20	53,060.80	54,308.80	55,619.20	57,220.80	58,552.00
	1,995.20	2,040.80	2,088.80	2,139.20	2,200.80	2,252.00
	24.94	25.51	26.11	26.74	27.51	28.15
Range 24A	53,185.60	54,350.40	55,660.80	57,033.60	58,676.80	60,028.80
	2,045.60	2,090.40	2,140.80	2,193.60	2,256.80	2,308.80
	25.57	26.13	26.76	27.42	28.21	28.86
Range 24B	54,496.00	55,660.80	57,054.40	58,406.40	60,132.80	61,484.80
	2,096.00	2,140.80	2,194.40	2,246.40	2,312.80	2,364.80
	26.20	26.76	27.43	28.08	28.91	29.56
Range 25	53,060.80	54,308.80	55,619.20	57,220.80	58,552.00	60,070.40
	2,040.80	2,088.80	2,139.20	2,200.80	2,252.00	2,310.40
	25.51	26.11	26.74	27.51	28.15	28.88
Range 25A	54,350.40	55,660.80	57,033.60	58,676.80	60,028.80	61,588.80
	2,090.40	2,140.80	2,193.60	2,256.80	2,308.80	2,368.80
	26.13	26.76	27.42	28.21	28.86	29.61
Range 26	54,308.80	55,619.20	57,220.80	58,552.00	60,070.40	61,588.80
	2,088.80	2,139.20	2,200.80	2,252.00	2,310.40	2,368.80
Range 26A	26.11	26.74	27.51	28.15	28.88	29.61
	55,660.80	57,033.60	58,676.80	60,028.80	61,588.80	63,128.00
	2,140.80	2,193.60	2,256.80	2,308.80	2,368.80	2,428.00
Range 27	26.76	27.42	28.21	28.86	29.61	30.35
	55,619.20	57,220.80	58,552.00	60,070.40	61,588.800	63,065.60
	2,139.20	2,200.80	2,252.00	2,310.40	2,368.80	2,425.60
Range 27A	26.74	27.51	28.15	28.88	29.61	30.32
	57,033.60	58,676.80	60,028.80	61,588.80	63,128.00	64,667.20
	2,193.60	2,256.80	2,308.80	2,368.80	2,428.00	2,487.20
Range 28	27.42	28.21	28.86	29.61	30.35	31.09
	57,220.80	58,552.00	60,070.40	61,588.80	63,065.60	64,708.80
Range 29	2,200.80	2,252.00	2,310.40	2,368.80	2,425.60	2,488.80
	27.51	28.15	28.88	29.61	30.32	31.11
	58,552.00	60,070.40	61,588.80	63,065.60	64,708.80	66,206.40
	2,252.00	2,310.40	2,368.80	2,425.60	2,488.80	2,546.40
	28.15	28.88	29.61	30.32	31.11	31.83
Range 29A	60,028.80	61,588.80	63,128.00	64,667.20	66,310.40	67,849.60
	2,308.80	2,368.80	2,428.00	2,487.20	2,550.40	2,609.60
	28.86	29.61	30.35	31.09	31.88	32.62

Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Range 30	60,070.40	61,588.80	63,065.60	64,708.80	66,206.40	67,932.80
C	2,310.40	2,368.80	2,425.60	2,488.80	2,546.40	2,612.80
	28.88	29.61	30.32	31.11	31.83	32.66
Range 30A	61,588.80	63,128.00	64,667.20	66,310.40	67,849.60	69,638.40
	2,368.80	2,428.00	2,487.20	2,550.40	2,609.60	2,678.40
	29.61	30.35	31.09	31.88	32.62	33.48
Range 31	61,588.80	63,065.60	64,708.80	66,206.40	67,932.80	69,784.00
	2,368.80	2,425.60	2,488.80	2,546.40	2,612.80	2,684.00
	29.61	30.32	31.11	31.83	32.66	33.55
Range 31A	63,128.00	64,667.20	66,310.40	67,849.60	69,638.40	71,510.40
	2,428.00	2,487.20	2,550.40	2,609.60	2,678.40	2,750.40
	30.35	31.09	31.88	32.62	33.48	34.38
Range 32	63,128.00	64,646.40	66,331.20	67,870.40	69,638.40	71,510.40
	2,428.00	2,486.40	2,551.20	2,610.40	2,678.40	2,750.40
	30.35	31.08	31.89	32.63	33.48	34.38
Range 32A	64,688.00	66,248.00	67,995.20	69,596.80	71,344.00	73,320.00
	2,488.00	2,548.00	2,615.20	2,676.80	2,744.00	2,820.00
	31.10	31.85	32.69	33.46	34.30	35.25
Range 33	64,688.00	66,248.00	67,995.20	69,596.80	71,344.00	73,320.00
	2,488.00	2,548.00	2,615.20	2,676.80	2,744.00	2,820.00
	31.10	31.85	32.69	33.46	34.30	35.25
Range 33A	66,310.40	67,932.80	69,721.60	71,302.40	73,112.00	75,129.60
	2,550.40	2,612.80	2,681.60	2,742.40	2,812.00	2,889.60
	33.18	32.66	33.52	34.28	35.15	36.12
Range 34	66,310.40	67,912.00	69,700.80	71,344.00	73,132.80	75,150.40
	2,550.40	2,612.00	2,680.80	2,744.00	2,812.80	2,890.40
	31.88	32.65	33.51	34.30	35.16	36.13
Range 35	67,974.40	69,617.60	71,448.00	73,132.80	74,963.20	77,022.40
	2,614.40	2,677.60	2,748.00	2,812.80	2,883.20	2,962.40
	32.68	33.47	34.35	35.16	36.04	37.03

APPENDIX C Pay for Performance Initiative Memorandum of Understanding

The City of Ann Arbor agrees to add 2% to the base pay of all Teamsters Supervisors bargaining unit members on July 1, 2007. In addition, the bargaining unit agrees to initiate a pay for performance plan for the fiscal year of 07/08. The basis of the pay for performance plan will be the demonstration of improvement over fiscal year 2005/06's performance in three specific areas. A sum equal to one and one half (1.5) percent of the total budgeted 06/07 fiscal year salary base of the bargaining unit will be set aside for performance based pay. The City agrees to pay the entire one and one half (1.5) percent out to bargaining unit members in the fiscal year of 07/08.

The City agrees to train management representatives in the pay for performance improvement process specific to the bargaining unit to ensure compliance and consistent application across all services units. <u>Teamster representatives will be included in the development of any evaluation or assessment tools specific to this pay for performance plan and in the development and delivery of management training.</u>

The process/initiative shall be based on three objectives to be created and mutually agreed upon by the employee and their direct manager. The direct manager will meet with the employee on a quarterly basis to review *progress* towards the objectives and not the achievement of specific objectives. Failure by the direct manager to do so will result in a year-end favorable review of the employee meeting all of his/her objectives. Quarterly meetings will be scheduled by the Manager with the employee at the beginning of each fiscal year. Quarterly meeting dates may be changed within reason and by mutual agreement of the Manager and employee. Members shall have the option to include a steward who has been trained on the pay for performance process to observe any of the quarterly meetings. Objectives can be altered during the course of the year if outside forces beyond the employee's control (e.g. weather, budget constraints, work assignment changes, etc) impedes the employee's progress. Fiscal year (annual) improvement will be measured effective June 30, 2007.

If at any point during the process, there is disagreement between the employee and his/her direct manager, the employee through his/her union representative may request an appeal hearing before the Human Resources Director within five (5) working days of the meeting with his/her direct manager. An appeal hearing shall be scheduled within ten (10) days of receipt of an appeal. The Human Resources Director shall issue a final and binding decision within ten working days of the hearing.

Any breech of this memo, except the decision of the Human Resources Director, shall be subject to the grievance and arbitration provisions of the agreement.

As stated above, three objectives will be agreed upon. Any improvement demonstrated as of June 30, 2007 (compared to the previous year) toward an objective will result in pay for performance. The following chart details the method to be used for disbursing the monies. *The numbers used below are for illustrative purposes only.*

Total budgeted bargaining unit base wages = \$2,700,000

1.5% of base wages, sum to be distributed as pay for performance = \$40,500

Total number of Teamster members = 45

Average Unit member base wage = \$60,000

Weighting for favorable objective score:

Progress on 3 = 4Progress on 2 = 2Progress on 1 = 1

Progress on 0 = 0

Example #1:

	Objective			
<u>Members</u>	<u>Progress</u>	Calc. Factor	Sum Split	Pay Out
10	3 (4)	40/95 (.421)	\$17,050 /10	\$1,705 (2.8%)*
20	2	40/95 (.421)	\$17,050/20	\$852 (1.4%)*
15	1	15/95 (.157)	\$6,359/15	\$423 (.8%)*

Example #2:

	Objective		
<u>Members</u>	Progress	Calc. Factor Sum Split	Pay Out
25	3 (4)	100/135 (.74)\$29,970/25	\$1,199 (1.9%)*
15	2	30/135(.22) \$8,910/15	\$594 (.9%)*
5	1	5/135 (.03) \$1,500/5	\$300 (.5%)*

^{*}Percent based on average salary of \$60,000

ayout will be made according to the regular payroll process and schedule during Septembe 007. Employees may elect to defer the lump sum payout into the 457 deferred compensation lan.					
As part of the 2008-2009 wage reope and potential continuation of this new	ener, the parties agree to review and negotiate modification(s) w trial pay for performance initiative.				
For the City	For the Union				
Date	Date				

indicated. CITY OF ANN ARBOR INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS OF AMERICA, INDEPENDENT UNION, LOCAL 214 John Hieftje Dennis Rasch Mayor **Business Representative** Teamsters Local 214 Roger Fraser Jeffrey Ellis City Administrator Chief Steward Civilian Teamster Supervisors Local 214 Jacqueline Beaudry Matt Warba City Clerk Steward Civilian Teamster Supervisors Local 214 Approved as to Form: Steven Postema City Attorney

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands the day and year

INDEX

A		Letter of Understanding	
ALL To Other Organizations	1.1	Life Insurance	
Aid To Other Organizations		Light or Limited Duty	
Anti-Discrimination/Harassment	/	Logs Damage	
B		Loss Damage	32
Bonds	53	M	
Bulletin Boards		Management Rights	10
C		o	
Certification Premium Pay	56	Operations	53
Classifications in Bargaining Unit		Overtime	30
Committees		n	
Computation of Back Wages	55	P	
Computation of Benefits		Pay Period	51
Contracts		Payment of Back Pay Claims	
Cost of Arbitration	16	Payroll Deduction	
T.		Pension	
D		Personal Leave	25
Dental Insurance	41	Power of Arbitrator	16
Duration of Agreement	59	Provisions Contrary to Law	53
\boldsymbol{E}		R	
Educational Benefit	26	Reclassifications	20
Election of Position		Rest Periods or Coffee Breaks	
Examinations		Return from Leaves	
		Rules and Regulations	
F		S	
Family Illness	24		
First Aid		Seniority	
Funeral Leave	24	Sick Leave	
G		Special Conferences.	
· ·		Stewards and Chief Stewards	
Grievance Procedure	15	Strikes and Lockouts	
Н		Supervision	52
		T	
Health Insurance			
Health Insurance Cost Containment Waiver Pr	rogram	Temporary Assignments	
	61	Termination Penalty for Delinquency in Paying Due	
Holidays		Training Assignments	22
Hours of Work	30	$oldsymbol{U}$	
J			~ ~
	7 0	Uniforms	
Jury Duty	50	Union Recognition	
L		Union Security/Agency Shop	
	<i></i>	Union Visitation	
Layoffs		Use of Past Record	18
Leave for Union Business		V	
Leaves of Absence		T 7	10
Legal Assistance	54	Vacancies	19

Vacation Leave46	W	
Veterans55	**/	5 0
Vision Insurance42	Wages	58
VISION INSULANCE	Washrooms and Lockers	54
	Workers' Compensation	28