



CITY of NOVI CITY COUNCIL

Agenda Item D
August 26, 2013

SUBJECT: Approval of Labor Agreement between the City of Novi and the Michigan Association of Public Employees (MAPE) for a term of July 1, 2013 through June 30, 2017, with signed Agreement to follow.

SUBMITTING DEPARTMENT: Human Resources

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

The labor agreement between the City and MAPE (Field and Clerical employees) expired on June 30, 2013. The City and the union have been engaged in the negotiation process since January of 2013. The Union ratified the Tentative Agreement on Friday, August 17, 2013, with a signed Agreement to follow and be presented to the Mayor and City Clerk.

The key issues agreed upon between the parties includes the opportunity for a four-ten (4-10) hour work schedule for the field employees of the Department of Public Services which will provide enhanced work hours during busy seasons (winter snow plowing and summer road construction). Also agreed upon was an on-call coverage policy which will allow for one Department of Public Works employee per week to be on call for coverage of emergency situations.

The revised Agreement mirrors the recent Agreements reached with the City's Police Officers and Police Clerks and Dispatchers in that it provides for a modest wage increase in year one and a stipend in lieu of a traditional wage increase in year two. The agreed upon stipend is significant as it does not count toward an employee's final average compensation calculation for pension and does not increase wage related benefits such as overtime or longevity (for those employees who receive it). Additionally, this agreement allows the City to change its pay period effective August 1, 2014, in order to discontinue the long-standing practice of pre-paying employees (issuing payroll on bi-weekly Fridays however paying through Saturday). This change will also allow the City potential options when obtaining quotes for a Time and Attendance Time Sheet Module. The key points of the tentative agreement are as follows:

- 1.5% wage increase upon ratification by City Council
- 1.70% stipend and \$500 flat stipend (paid on 8/1/2014 at time of pay period change)
- 1.5% wage increase (effective 7/1/2015)
- 7/1/16 Wage reopener
- Standardize union business language (time off to conduct union business) with 72 hour notice to employer;
- Standardize funeral leave language

- 4-10 hour work day for Department of Public Services - Field Employees during busy seasons
- On-Call coverage for Department of Public Services – Field Employees

RECOMMENDED ACTION: Approval of Labor Agreement between the City of Novi and the Michigan Association of Public Employees (MAPE) for a term of July 1, 2013 through June 30, 2017, with signed Agreement to follow.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Fischer				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Wrobel				

AGREEMENT

between

CITY OF NOVI

and

MICHIGAN ASSOCIATION OF PUBLIC EMPLOYEES

Effective 7/1/2013 - 6/30/2017

**City of Novi
And
Michigan Association of Public Employees**

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**City of Novi
And
Michigan Association of Public Employees**

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THIS AGREEMENT, made and entered into this ____ day of _____, 2013 by and between the City of Novi, Employer, located at Novi, Michigan, party of the first part, hereinafter "City", and Michigan Association of Public Employees.

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

WITNESSETH:

ARTICLE I - RECOGNITION

Pursuant to and in accordance with all applicable provisions of Act 336 of the Public Acts of 1947, the City recognizes the Michigan Association of Public Employees as the exclusive representative of the employees of the City of Novi for purposes of collective bargaining with respect to rates of pay, wages, hours of employment and other terms and conditions of employment, in the following bargaining unit for which it has been certified.

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

ARTICLE II - UNION SECURITY AND CHECK-OFF

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

Right to Work Legislation hereby is in effect for members of this bargaining group, effective July 1, 2013. If any member of this bargaining group elects to opt out of paying union dues, as is allowable under the Right to Work Legislation, they must notify in writing the Department of Human Resources and MAPE. This notification will then be sent to the Business Agent for this group. The City will notify MAPE of

the last deduction date for such dues paid by such employee. Should this legislation be repealed this section shall revert to the language as written in prior contracts including the provision to pay union dues for all employees represented in this group.

~~**Section 2.** Any employee in the certified bargaining unit who is not a Union member and who does not make application for membership shall, as a condition of employment, pay to the Union a monthly service charge in an amount equal to the monthly dues uniformly applied to the members as a contribution toward the administration of this Agreement.~~

ARTICLE III - CLASSIFICATIONS

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

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

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

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

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

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

Section 6. The following positions shall be considered to be continuous classifications: Customer Service Rep, Account Clerk, Planning Assistant, Payroll Coordinator, Light Equipment Operator, Mechanic, Residential Appraiser, and Code Compliance Officer. Placement and advancement to the various steps and ranges of these positions shall be subject to and governed by the following rules:

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

~~E. The parties agree that they shall continue to negotiate over a summer 4-10 schedule for DPS field employees.~~

ARTICLE IV - PROBATION

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

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

Novi during the probationary period.

ARTICLE V - SUBCONTRACTING

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

ARTICLE VI - SENIORITY

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

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

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

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

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

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

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

When an employee receives notice of layoff, he or she shall be permitted to exercise his or her seniority right to bump or replace an employee with less seniority. The layoff and bumping procedure will operate as follows:

Employees to be laid off for an indefinite period of time (i.e. more than 5 days) shall be given as much advance notice as practical, but in no event less than 10 working days. The union shall receive a list of employees being laid off at the same time that said employees are notified.

An employee receiving notice of layoff shall have 5 working days from the receipt of the notice of layoff to notify Human Resources in writing of their intent to exercise their seniority to bump. Failure to notify Human Resources in writing within the 5-day period as stated shall constitute a waiver of the employees bumping rights. After receipt of the notice of intent to exercise their right to bump, Human Resources shall notify and schedule an appointment within five working days to review the affected employee's qualifications and available options.

An employee may bump the lowest seniority employee in any of the following cases:

A currently held classification and/or currently held range (including lower classifications/range, a lower classification and/or lower range.

An employee may only bump into a position for which he/she is qualified. The City may require the employee to test to verify qualifications unless the employee has successfully held the exact position in the same Department into which he or she is attempting to bump. Said testing must be fairly administered based on the job description and the demonstrated actual ability of the employee to be bumped. Employees must possess all certifications/licenses that are required of the position they are bumping into.

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

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

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

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

When the work force is increased or openings occur in any Department, probationary employees who are terminated due to a reduction in the work force will be considered for rehire for the period of time equal to their time served as a probationary employee providing; Laid off seniority employees are determined not to be eligible for the available position (s) and the probationary employees have the current ability to do the work required in the position (s).

There shall be a 42-month period when a laid-off employee who has not withdrawn from the MERS retirement system may, when returning to work, continue in the retirement plan to which they were previously contributing. This shall be subject to MERS and legal requirements.

ARTICLE VII - DISCIPLINARY LAYOFF AND DISCHARGES

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

Section 2. Within a two (2) year period following the insertion of a letter of reprimand in the personnel file of any member, he/she may ask that a review be made by the

Personnel Director, and unless there is a legitimate reason otherwise, the letter will be removed.

Section 3. If an employee is convicted of an infraction by a court of competent jurisdiction, that restricts any job requirement (example CDL) that employee shall be re-classified to the next lowest classification, for the duration of the suspension of credentials to a maximum of eighteen months. At that time if the employee does not meet the requirements of his/her normal position the employee may be terminated.

ARTICLE VIII - GRIEVANCE PROCEDURE

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

Section 2. Grievances must be taken up promptly and no grievance will be considered or discussed which is initiated later than ten (10) working days after the union would have reasonably had notice of the alleged contract violation such has happened.

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

Step 1. The parties recognize informal resolution of grievances at the lowest possible level of supervision as desirable and encouraged. Initiation of a grievance shall be by a conference between the aggrieved employee, the Steward, or both, and the supervisor and/or department head. If not settled in this manner, it shall be the responsibility of the aggrieved to reduce any grievance to writing on the regular grievance form provided by the local union within ten (10) working days of the alleged grievance, and deliver same to the designed employer representative. Said grievance shall name the employee(s) involved, shall state the facts giving rise to the grievance, shall identify the provisions of this agreement alleged to be violated by appropriate reference, shall state the contention of the employee and of the union with respect to the provisions, shall indicate the relief requested, and shall be signed by the employee.

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

shall furnish a copy to the union representative.

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

Step 4. If the grievance has not been settled in Step 3, the parties, or either party, may submit such grievance to arbitration provided such submission is made to the City's Director of Human Resources within thirty (30) calendar days. The written notice shall identify the provisions of the agreement allegedly violated, shall state the issues involved and the relief requested. If no such notice is given within the prescribed period, the City's last answer shall be final and binding on the union, the employee or employees involved, and the City.

If the parties cannot agree as to the arbitrator within fourteen (14) calendar days of the submission of the union's notice, the union must submit a request for an Arbitrator to be appointed by the Michigan Employment Relations Commission. The arbitrator shall have no power or authority to alter, amend, add to or subtract from or disregard any of the terms of this agreement. Both parties agree to be bound by the award of the arbitrator and that the costs of any arbitration proceeding under this provision shall be borne equally between the parties except that each party shall pay the expenses of its own witnesses.

Upon written agreement of the parties, any grievance may be submitted to mediation. Such submission shall freeze the timelines set forth above until either party informs the other that it no longer wishes to mediate. At that point, the timelines shall resume at the point as which they were frozen.

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

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

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

ARTICLE IX - STEWARDS

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

- A. The investigation and presentation of grievances with his employer or the designated employer representative in accordance with the provisions of the collective bargaining agreement.
- B. The transmission of such messages and information, which shall originate with, and are authorized by the local union or its officers, provided such messages and information
 - 1) have been reduced to writing, or;
 - 2) if not reduced to writing are of a routine nature and do not involve work stoppage, slow-downs, or any other interference with the employer's business.
- C. The Chief Steward and/or Deputy Stewards have no authority to take strike action, or any other action interrupting the employer's business. The employer shall have the authority to impose proper discipline, including discharge, in the event the Steward has taken unauthorized strike action, slow-down or work stoppage in violation of this Agreement. The Steward shall be permitted time to investigate, present and process grievances on the employer property without the loss of time or pay during this regular working hours. In each and every instance where such time is required during working hours, the Steward will estimate the amount of time needed and receive approval from his/her immediate supervisor. No reasonable request for time away from the job for union business will be denied.
- D. No more than one Steward shall be allowed to investigate, present, or process grievances at any one time. The Department Steward shall be included if requested.
- E. The Steward shall first receive the approval of his supervisor to leave his work, no additional employee shall be allowed time off to accompany the Steward. Abuse of time away from the job, or abuse of any provision of this section, shall be cause for appropriate discipline.
- F. All appointed or elected Chief Stewards and Department Stewards shall be included in contract negotiations, but not to exceed four. Negotiation sessions will be scheduled at mutually agreeable times. All time spent during regular working hours in negotiations for any steward will be compensated at the appropriate rate. No time spent before or beyond regular working hours will be compensated.

G. The City agrees to allow up to 24 hours for the Chief Steward and Department Stewards for the purpose of conducting union business limited to attending conferences and seminars which relate to the bargaining unit. A written notice must be provided by the union 48 hours in advance specifying the dates/times/ union personnel who will be in attendance at the union conference or seminar.

ARTICLE X - ABSENCE

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

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

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

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

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

Section 4. An employee will take a health leave of absence pursuant to this section at any time during the employee's pregnancy if the employee is unable to satisfactorily perform her assigned duties. A seniority employee who has earned seniority at the time the leave is to commence who is unable to perform her assigned duties shall, at the written recommendation of a physician be granted a maternity leave of absence for up

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

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

ARTICLE XI - LIMITATION OF AUTHORITY AND LIABILITY

Section 1. No employee, union member or other agent of the union shall be empowered to call or cause any strike, work stoppage or cessation of employment prohibited under Act 379, P.A. 1965, or under any other applicable City, State or Federal law, in existence at the present time or enacted during the term of the agreement. In the event of such prohibited conduct, the union shall immediately instruct the involved employees in writing, with a copy to the City, that their conduct is in violation of the contract and that they may be disciplined and/or discharged, and further shall instruct all persons to immediately cease the offending conduct. The union further agrees that the City shall have the right to discipline (including discharge) any or all employees who violate this article. In the event of a violation of this article, the City shall have the right, in addition to the foregoing and any other remedies it may have, to obtain injunctive relief.

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

ARTICLE XII - MANAGEMENT RIGHTS

Section 1. The union recognizes the City's right to manage its affairs and direct its work force within the existing framework of the statutes of the State of Michigan to maintain the City of Novi in the County of Oakland, as efficiently and at the lowest possible cost consistent with the fair labor standards. Further, the City has all the customary and usual

rights, powers, functions and authority of management. It is recognized that the management of the City, the control of its properties and the maintenance of the City, the control of its properties and the maintenance of order and efficiency is solely a responsibility of the City. Among the rights and responsibilities belonging to the City are the rights to decide the number and location of its facilities, work to be performed within the unit, maintenance and repair, amount of supervision necessary, machinery, tools, procurement, designing, engineering and the control of equipment and materials, and the right to purchase services of others. It is understood and agreed that none of the foregoing rights and responsibilities will be exercised in a manner which is inconsistent with the provisions of this agreement.

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

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

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

ARTICLE XIII - DISCRIMINATION

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

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

ARTICLE XIV - GENERAL

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

Section 2. The City of Novi has the authority to determine who will drive a City vehicle, to establish vehicle operator standards, and to revoke the right to drive municipal vehicles for failure to meet the standards (Motor Vehicle Operations Policy). Employees who do not meet the driving record standards will be subject to disciplinary action, up to and

including removal of driving privileges and termination of employment. All employees who drive City vehicles will be enrolled in the State of Michigan Driving Record Subscription Service. Effective upon contract ratification, all new hires of the ~~Department of Public Works~~Department of Public Services, Water and Sewer, and Parks, Recreation and Forestry Departments are required to obtain (during his/her probationary period) and must maintain as a condition of employment a Class A CDL license with air brake and tank endorsement.

Any City employee transferring or bumping into DPS must possess a minimum of a CDL Group B License. These employees shall have six (6) months from the date of transfer, or bump, to obtain the CDL Group A License with the N endorsement. The six (6) month time period shall be extended by the employer if the employer is unable to make available the necessary training and / or the equipment for practice.

It is the desire of the City for all existing DPS employees to have a CDL Group A License with an N endorsement. If they are unable to obtain a CDL Group A License with an N endorsement, they shall remain in their current position and be ineligible for promotion until they are able to do so. This section shall not apply to the position of mechanics in the Police garage or the clerical positions in the DPS.

In order to develop a safer work environment as well as provide the opportunity for career development, the employer and the union shall mutually develop, implement and maintain a training program. This program will cover the CDL licensing requirements, safety issues and other issues that may be identified in the future by the parties. Current employees will have the training made available to them on a seniority basis with the most senior employee given the first opportunity to train, followed by the next senior employee, etc. Water and Sewer workers shall have a minimum of a Water Distribution System S-4 certification. Anyone transferring or bumping into this department from another City department shall have a minimum of 18 months to obtain the S-4 license as a condition of employment.

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

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

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

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

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

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

Section 9. The City recognizes its obligation to furnish adequate tools and equipment to perform the job tasks required safely. Prior authorization from the Department head shall be obtained before any employee uses any City tools or equipment for personal use.

Personal use of City tools or equipment must take place on City property.

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

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

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

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

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

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

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

Section 17. All employees hired after January 1, 2001, will be paid through direct deposit.

Section 18. Employees shall not consume alcohol or drugs during the course of the workday, including lunch and/or break periods. Any employee who is suspected of doing so shall be subject to immediate alcohol/drug testing. If it is determined that an employee has consumed either alcohol or drugs during the course of the workday, the City reserves the right to take disciplinary action up to and including termination of employment.

Section 19. Clothing allowance to read as follows, all prior letters of agreement are superseded by this language:

The Employer agrees to provide \$180.00/year/Field Services employee for the purchase of work jeans. Employees must provide proof of purchase. The annual payment shall be made by the last pay in January. The employee must keep pants in good condition and is responsible for cleaning. The Employer will continue to provide logo shirts, sweatshirts and appropriate outdoor weather gear.

In addition, the Employer will continue to provide to all positions presently receiving the work boot allowance, \$150.00 for work boots on an as needed basis, subject to supervisory approval.

The City agrees that if any employee is required to wear any kind of uniform as a condition of his/her employment, such uniform shall be furnished and maintained by the employer. The City agrees to continue to maintain mechanics uniforms as presently provided. The Building Maintenance Supervisor will be paid \$300.00 for uniform allowance by the 15th of April each year. If an employee needs their footwear replaced due to a special work assignment i.e. crack sealing, and not due to regular wear, the employee may get approval from their supervisor and submit a receipt to Finance for reimbursement. The City agrees to furnish appropriate rain apparel (coats) for those DPS employees who regularly work outside. These replacements will include all positions presently receiving the allowance.

ARTICLE XV - VACANCIES AND PROMOTIONS

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

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

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

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

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

ARTICLE XVI - EQUIPMENT ACCIDENTS AND REPORTS

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

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

Section 3. All defects in equipment shall be reported to the City promptly. The City

recognizes its obligation to investigate defects.

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

ARTICLE XVII - SEPARABILITY AND SAVINGS CLAUSE

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

ARTICLE XVIII - SAFETY COMMITTEE

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

ARTICLE XIX - COURT AND FUNERAL LEAVE

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

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

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

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

ARTICLE XX - WORKERS' COMPENSATION

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

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

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

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

Eligibility for disability benefits shall depend upon a clear showing by competent medical evidence that such disability leave is necessary.

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

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

ARTICLE XXI - INSURANCE

Section 1. Hospitalization: The City shall continue to provide the current health care insurance coverage or substantially comparable health care insurance coverage for each employee and his/her dependents. Effective January 1, 2011, the Blue Cross Blue Shield Master Medical PPO Plan will no longer be offered as a health care option. The prescription co-pay will be \$10 generic/\$20 formulary/\$40 non-formulary and a \$20 Office visit co-pay. A hospitalization policy will be equal or substantially comparable to the above coverage. Thirty (30) days notice will be given prior to any change.

- A. Effective January 2007 employees shall contribute 2.5% of their health care premiums by way of monthly payroll deductions on a pre-tax basis.

- B. Effective January 2007 employees who insure eligible dependents ages 19-25 by way of Family Contribution coverage shall contribute 20% of the premium for this coverage. This premium shall be made by way of monthly payroll deductions on a pre-tax basis.
- C. Effective July 2007 employees shall contribute an additional 2.5% (for a total of 5%) of their health care premiums by way of monthly payroll deductions on a pre-tax basis.
- D. Effective January 2008 employees who insure eligible dependents ages 19-25 by way of Family Contribution coverage shall contribute an additional 30% (for a total of 50%) of the premium for this coverage. This premium shall be made by way of monthly payroll deductions on a pre-tax basis.
- E. The parties agree that PA 152 of 2011 shall govern employee health care contributions. Should PA 152 be repealed or become unenforceable for any reason, employees shall return to paying 7.5% of their health care premiums by way of monthly payroll deductions on a pre-tax basis and the parties shall promptly begin negotiations over the level of employee health care contributions..

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

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

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

Section 5. Short Term Disability Insurance: Employees shall receive a Short Term Disability Policy provided by the City which shall consist of a seven (7) calendar day (5 work days) waiting period for which employees may utilize sick, personal business or vacation banked time. The STD policy shall pay at the rate of 75% for the first 60 work days and 66% for the remaining duration of the injury or illness to a maximum weekly benefit of \$1,200, up to a maximum of 26 weeks. If the employee chooses not to utilize the City STD Policy for an extended illness/injury leave, they may utilize banked vacation and/or personal business leave after first utilizing five (5) sick days.

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

effective after a period of six (6) months of continuous disability.

Section 7. The employer shall have no obligation to duplicate any benefit an employee receives under any other policy with any other employer notwithstanding the circumstances of eligibility, amount or duration of benefit, and it shall be the obligation of the employee to inform the employer of any and all insurance coverage enjoyed by said employee other than coverage provided by the employer herein a party.

Section 8. Should the City be obligated by law to contribute to a governmental sponsored insurance program, state, national or otherwise, which duplicates the benefits provided by the city under insurance policies currently in effect as a result of this agreement, it is the intent of the parties that the City not be obligated to provide double coverage; to escape such double coverage, the City shall be permitted to cancel benefits or policies which duplicate compulsory governmental sponsored insurance programs, provided, however, the City agrees to maintain the benefit level established by this agreement supplementing compulsory policies if necessary.

Section 9. The City will continue to have the right to select the carrier, to change carriers, and to become self-insured, provided that the coverage provided is equal to or substantially comparable to the coverage currently in place. It is further agreed that the only liability assumed under this article is to pay the premiums, as outlined above. Any claim settlement between the employee and the insurance carrier shall not be the responsibility of the City.

Section 10. It is hereby agreed that the City and the Union shall continue to jointly study alternative fringe benefits. Any change resulting from such joint study shall require the approval of both parties. It is understood that the City shall retain its rights under Article 21, Sub-section 8 above.

ARTICLE XXII - RETIREMENT

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

Section 1. Effective March 1, 2007, the retirement plan shall be revised to Plan B-3 (2.25% multiplier). Employees shall be responsible for all costs associated with the B-3 benefit. Employee contributions shall be from MERS eligible gross earnings and deducted through payroll deductions. An actuary report shall be ordered to provide the employees with a current cost for this benefit. Effective June 30, 2011, for purposes of computing reportable earnings for final average compensation (FAC), combined overtime hours will be capped at 350 hours per fiscal year (based on pay records from July 1 to June 30 of each fiscal year).

- A. Upon retirement, or disability retirement, as defined by MERS and Sub-section D below, the City shall provide an eligible employee and his/her spouse the health care insurance benefits that are in effect at the time of retirement. Effective the date of ratification by both the Union and the City of the 2011-2013 Agreement, retirees who reach the age of 65 shall receive health care through Medicare, requiring the retiree (and spouse) to be enrolled in, and pay for 100% of the premium for, Medicare Parts A and B. Secondary coverage will be provided through a supplemental plan. As set forth in Sub-Sections C and F below, the City shall pay 80% and the retiree and spouse if applicable shall pay 20% of the premium for the supplemental plan.
- B. The sole obligation of the City shall be to provide the benefits upon retirement as defined by contract. Any funds established by the City shall be vested in the City, and no officer covered by this Agreement shall be considered to have any proprietary interest in these funds. In the event that alternative funding sources become available, either by legislative action or at the option of the City, any funds established for the purpose of providing medical coverage upon retirement shall belong entirely to the City. Furthermore, the City reserves the right to change providers within the limitations as described by Article XVIII, Section 19.6.
- C. The City agrees to pay 80% of the retiree's medical insurance coverage, and the retiree agrees to pay the remaining 20%. Failure to remit the employee's share of the premium cost in a timely fashion shall be grounds for suspending the above coverage.
- D. To qualify for this medical insurance coverage an employee must possess a minimum of twenty (20) years of seniority upon retirement. Employees granted a disability retirement shall be excluded from this provision.
- E. Retiree health care premiums shall be paid by way of the City's direct payment plan. Employees shall sign up for this payment plan prior to their last day of work prior to their retirement status.
- F. The spouse of a retiree shall have survival rights to the medical coverage, as described above, subject to the following conditions:
1. The City agrees to pay 80% of the spouse's medical coverage, and the spouse agrees to pay the remaining 20%.
 2. In the event that the spouse shall have comparable or better insurance available, the City shall have no obligation to continue coverage. In the event the spouse loses the comparable coverage, the spouse will then become eligible for coverage from the employer.

Section 2. Effective on December 1, 2006, all employees hired on or after this date

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

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

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

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

ARTICLE XXIII - HOLIDAYS

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

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

New Year's Eve Day
New Year's Day
Martin Luther King Day
President's Day
Good Friday
Memorial Day
Fourth of July

Labor Day
Veteran's Day
(As determined by Federal law)
Thanksgiving Day
Friday after Thanksgiving Day
Christmas Eve Day
Christmas Day

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

ARTICLE XXIV - SICK LEAVE

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

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

Sick leave will not be allowed in cases where illness or disability is self-imposed by bad habits or malicious contributing actions. Sick leave may not be granted in anticipation of future service, or failure to notify the department head of his/her illness.

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

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

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

Each seniority employee who terminates his employment with the City by reason of his/her death or retirement shall be paid for fifty (50%) percent of his/her sick leave. Each seniority employee who quits or resigns from his/her employment with the City shall

be paid for fifty (50%) of his/her sick leave..

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

Employees shall receive 8 paid sick days each January 1st, beginning January 1, 2013. ~~Current employees, at the time of ratification shall receive pro-rated paid sick days.~~ For employees hired after the ratification of the 2011-2013 paid sick days shall be pro-rated based upon their date of hire. Days shall not carry over from one year to the next.

~~Employees sick banks shall be frozen as of date of contract ratification, with the balance of sick bank to be paid out at 50% over a 2-year period, paid at the rate of pay that was in effect in December 31, 2011. First payment shall be made on the first pay in June 2012. The second payment shall be made on the first pay in June of 2013, or upon the date that the employee leaves employment with the City or retires.~~

When an employee is off work due to a qualifying FMLA reason, the employee must utilize a minimum of five (5) days of banked time.

ARTICLE XXV - VACATIONS

Regular full-time employees shall receive vacation as follows:

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

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

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

allowed for one year and will not be allowed in any two consecutive years.

Payment in lieu of vacation is allowed. However, the City encourages all employees to take vacation leave. Employees shall be permitted to receive payment in lieu of vacation in a minimum of one day and a maximum of five days cashed in for pay within a calendar year. Requests for such a payout shall be made in writing to the Department of Human Resources by December 1st. Payment to be made in the last pay in December.

If an employee's supervisor cancels an approved and scheduled vacation due to an emergency, that employee may carryover unused vacation equal to the cancelled vacation into the next year.

At the discretion of the Human Resource Director, an employee with special circumstance may be allowed to carryover vacation into the next year above the maximum allowable limit.

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

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

ARTICLE XXVI - LONGEVITY PAY

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

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

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

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

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

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

ARTICLE XXVII - OVERTIME AND HOURS OF WORK

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

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

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

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

Section 5. An employee reporting for call-in assignments shall be guaranteed three (3) hours pay at the rate of one and one-half (1 1/2) times his hourly rate. A call-in assignment shall be defined as follows: When an employee is unexpectedly called to temporary duty at a time when he/she would not normally be scheduled to work. Hours worked contiguous to employee's normal shift shall not be considered call-in assignments, however the employee shall be entitled to work their full shift.

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

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

Section 8. Overtime shall be offered on a rotating basis, by seniority within division. Employees who are offered the opportunity to work overtime and refuse it shall be charged the amount of overtime actually worked by the employee who does the required work for the purpose of equitable distribution of overtime. For purposes of equalization of overtime, all hours paid will be converted to straight time hours. The next

overtime opportunity shall be offered to the qualified employees with least number of hours. The overtime record of hours will be continuous for the duration of the contract.

In the event that not enough employees in the division are available to work the overtime, the overtime may be offered to employees qualified to perform the work utilizing the department overtime list. In the event that not enough employees in the department are available to work overtime, the overtime may be offered on a seniority basis City-wide to employees qualified to perform the work.

An employee will be charged for overtime unless they are on an approved leave; vacation, sick or personal. If an employee wants overtime during a leave, their Supervisor must have that request in writing. An employee on an approved leave on a Friday will be considered to be unavailable until the start of their normal shift the following Monday unless they otherwise notify their immediate Supervisor in writing.

If an employee is allowed to go home or sent home by the Supervisor due to working extended continuous hours, they will not be charged for overtime until they have been off for a reasonable time.

Departmental overtime lists will be posted no later than Tuesday at 12:00 noon following each payroll period. If a holiday falls on Monday, the deadline shall be Wednesday at 12:00 noon.

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

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

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

Section 11. The City will pay a \$0.75 shift premium on scheduled afternoon shifts, defined as shifts starting at 3:00 p.m. and ending at 11:00 p.m.

Section 12. Non-Emergency Overtime—~~The Employer and the Union shall continue to meet and discuss an on-call list for non-emergency overtime. "On call" coverage shall be established for DPS field workers only for after-hours service and shall be on a voluntary basis. Solicitation will be made using the existing overtime equalization lists, as posted. The employee holds the responsibility for volunteering for on call duty, which will be awarded based on list equalization. Refusal or acceptance of on call duty will result in a charge of seven (7) hours per week.~~

~~On call assignments will be for a period of one (1) calendar week at a time, typically beginning on a Monday and ending the following Sunday. If a holiday falls on a Monday, then the on call employee will be responsible for working until the start of the next business day.~~

~~Employees who are on call will be paid at a rate of one (1) hour of straight time for every calendar day on call. When an on call employee is called to service, he/she will be paid in accordance with established overtime and holiday pay policy and practices.~~

~~An employee may make arrangements with another qualified employee to assume his/her on call duty, provided the on call employee notifies the Employer with the name of that individual prior to the end of the Employer's regular business day; or in case of an emergency, he/she notifies the designated supervisor. In addition, the on call employee's designee shall also notify the Employer that he/she has accepted the on call employee's assignment.~~

~~Employees who fail to report for duty or secure a replacement when on call will forfeit on call pay for that day, are still responsible for the duration of the week, and may receive disciplinary action. On call employees who have worked during normal sleeping hours will not be penalized as a failure to report until a reasonable amount of time has elapsed in order to get sufficient rest, as mutually agreed upon in advance by the designated supervisor and the on call employee.~~

~~During winter months or times of impending emergency, the Employer reserves the right to increase the number of on call staff needed to fulfill work requirements.~~

~~The Employer reserves the right to suspend any on call assignment at any time it feels that duty is not required, and to modify this agreement with the Union's consent of change.~~

Section 13. Emergency Overtime – Employees must work overtime which results from an emergency situation. (The existence of an "emergency situation" shall be based on the common definition of the word "emergency" and shall not depend on the declaration of a City-wide emergency.) Failure to work the overtime shall subject the employee to

discipline under Article 7 of the Agreement. However, employees shall be excused from this requirement in cases of illness, fatigue or any other cause as to make it unsafe for him or her to begin or continue to operate a motor vehicle or City equipment. The City may require the employee to reasonably substantiate or explain the grounds for his/her excuse.

Section 14. A four (4) day per week, ten (10) hour per day schedule (hereinafter referred to as a 4-10 schedule) will be established on a voluntary seniority basis for DPS field workers during times of the year when it is deemed necessary by the Employer. Those individuals who volunteer to work a 4-10 schedule will work either a Monday-Thursday or a Tuesday-Friday schedule for a two-week pay period based on seniority. While on a 4-10 schedule, sick days, personal days, and vacation days will be charged at ten (10) hours per day. A 4-10 schedule will not be implemented during a week when a City holiday occurs.

ARTICLE XXVIII - WAGES

Members of this bargaining unit shall receive 1.5% wage increase across the board, effective on the date of ratification by City Council of the 2011-2013 agreement. Zero percent increase for the remainder of the contract. Effective August 1, 2014, members of this bargaining unit shall receive a \$500 flat stipend and a 1.70% stipend. This stipend payment shall be in place of the normal pay schedule that would have occurred. The normal pay schedule will resume thereafter as bi-weekly on August 8, 2014. Effective July 1, 2015, members shall receive a 1.5% pay increase. Union and City shall open the contract for wages only prior to July 1, 2016. Wages shall be reflected on the attached pay schedule. The following machines will be classified as heavy equipment: backhoe, excavator and skid loader.

Employees hired after the ratification of the 2011-2013 Agreement shall be subject to a new-hire salary scale per attachment A to Union's 01-04-12 proposal.

ARTICLE XXIX - SAVINGS CLAUSE

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

ARTICLE XXX - WAIVER CLAUSE

The parties acknowledge that during the negotiations which resulted in this agreement each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this agreement. Therefore, the

City and the Union, for the life of this agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to, bargain collectively with respect to any subject or matter not specifically referred to or covered in this agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this agreement.

ARTICLE XXXI - MAINTENANCE OF CONDITIONS

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

ARTICLE XXXII - TERMINATION OF AGREEMENT

Section 1. This agreement shall be in full force and effect from July 1, 2001~~13~~ to and including June 30, 201~~37~~. Should either party desire to renegotiate this agreement notice must be served one hundred eighty (180) days prior to the termination date. Failure to serve notice of intent to renegotiate will extend this agreement in full force and effect for an additional twelve (12) month period following the date of termination.

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

Section 3. An emergency manager appointed under the local government and school district fiscal accountability act, 2011 PA 4, MCL 141.1501 to 141.1531, shall be allowed to reject, modify, or terminate the collective bargaining agreement, as provided in the local government and school district fiscal accountability act, 2011 PA 4, MCL 141.1501 to 141.1531, as long as this Act is in effect. Should this Act be repealed or reversed, then this section shall be deemed unenforceable.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals

| this ____ day of _____, 20123

CITY OF NOVI

Robert J. Gatt, Mayor

Maryanne Cornelius, City Clerk

MICHIGAN ASSOCIATION OF PUBLIC EMPLOYEES

Donnell Reed, Business Agent

Jim Paulk, Chief Steward

Stacey Hunter, Steward

Maureen Underhill, Steward

Howard Aube, Steward