

AGREEMENT

Between

CITY OF TRAVERSE CITY LIGHT AND POWER

And

UTILITY WORKERS UNION OF AMERICA, AFL-CIO

And Its

LOCAL NO. 295

Effective July 1, 2005 - June 30, 2008

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AGREEMENT

THIS AGREEMENT, effective 12:01 a.m., July 1, 2005, by and between the CITY OF

TRAVERSE CITY LIGHT AND POWER BOARD, hereinafter referred to as the "Board" or "Employer", and the UTILITY WORKERS UNION OF AMERICA, AFL-CIO, and its LOCAL 295, hereinafter referred to as the "Union".

This Agreement hereby incorporates all prior outstanding Letters of Agreement between the Bargaining Unit and the Employer. Letters of Agreement not specifically included in this Agreement are deemed no longer valid by both parties.

RECOGNITION

Section 1. Collective Bargaining Unit. Whereas Local 295, Utility Workers Union of America, AFL-CIO, having been certified by order of the Michigan State Labor Mediation Board as the representative of employees of the City of Traverse City (Michigan) Light and Power Board, in the unit heretofore found by the Board to be appropriate, and including:

all regular full-time Physical Operating and Trades employees, BUT EXCLUDING supervisory employees, clerical employees, executives and guards

for the purpose of collective bargaining, through the Light and Power Board, agrees to recognize the union, through its accredited officers and representative as sole bargaining and negotiating agency for the employees in the Light and Power Department.

- (a) Agency Shop. All bargaining unit members as a condition of employment shall pay union dues or an equivalent service charge to the Union in the event they are not union members.. This service charge shall be for the purpose of covering the cost of negotiations for and the administration of this Agreement.
- (b) Bargaining Team. The Bargaining Team shall be selected by the Union and shall be limited to five (5) members. When bargaining occurs, those five (5) shall be released

for such purpose without loss of time or pay. In no event will Light and Power compensate an employee for hours spent in bargaining or other Union activities beyond the employees normal work shift.

- (c) The Union President shall notify the Executive Director in writing within three (3) working days of any changes in the Bargaining Unit's stewards or officers.

MANAGEMENT RIGHTS

Section 2. Rights.

- (a) The Union recognizes the right of the Board to operate and manage its affairs in all respects in accordance with its responsibilities. The powers or authority which the Board has not officially abridged, delegated or modified by this Agreement are retained by the Board.
- (b) The Union recognizes the exclusive right of the Board to establish reasonable work rules, determine reasonable schedules of work, determine and establish methods, processes, and procedures by which such work is to be performed as well as set work standards. The Board also reserves the right to make work assignments in emergency situations within the limitations of this contract.
- (c) The Board has the right to schedule overtime work as required, and consistent with the provisions set forth in Section 21.
- (d) The Board has the right to reclassify existing positions based on assigned duties and responsibilities or make changes in assigned duties and responsibilities, it being understood by the parties that only the significant and principal duties and range of

skill are enumerated in class specifications and job descriptions; incidental duties, similar and related, although not enumerated, are intended to be performed by the employees.

- (e) The Board reserves the right to discipline or discharge for just cause.
- (f) The Board reserves the right to lay off for lack of work or funds, or the occurrence of conditions beyond the control of the Board or where such continuation of work would be wasteful and unproductive.
- (g) The Union recognizes that the Board 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 Board.

The right to contract or subcontract shall not be used for the purpose or intention of undermining the Union nor of discriminating against any of its members, nor to replace regular employees qualified and willing to work, nor to cause layoffs. The Board will, as far as practicable, on contracts granted on a time and material basis only, and not those won by "bid", restrict such contracts to the same workweek and/or total hours within the payroll week as that established for employees under this Agreement. Where employees are damaged by the above sentence, the appropriate remedy shall be for Management to provide productive work under similar circumstances and pay in an amount equivalent to the overtime which had been lost. This work time provided cannot be used in lieu of calling out another employee, but must be established as additional overtime. If Light and Power, in its sole discretion, enters into an inter-local agreement, such agreement shall be under

the terms of the Urban Cooperation Act and/or the Michigan Energy Employment Act, and Light and Power shall notify the Union in advance of entering into such an agreement. Light and Power and the Union agree to bargain about the effects of such an agreement on the Bargaining Unit personnel.

- (h) The responsibilities of the Light and Power Executive Director, governed by charter provisions, ordinances, and personnel rules, subject to the provisions of this Agreement, include and they have the right to hire, assign, transfer, and promote employees to positions within the agency; to suspend, demote, discharge, or take other disciplinary action against employees; to relieve employees from duty because of lack of work or lack of funds; to determine the methods, means, and personnel necessary for departmental or agency operations, to control departmental or agency budgets; to take whatever actions are necessary in situations of emergency to perform the functions of the Department; to administer pay and fringe benefit plans; and to provide the necessary surveys, research, rules, regulations and recommend resolutions and ordinances for this purpose.
- (i) The enumeration of management's rights in this Article is not to be construed as being all-inclusive, but rather as an indication of the type of rights inherent to management.

DUES CHECKOFF

Section 3. Checkoff. During the term of this Agreement, the Board will deduct from the wages of

those employees who authorize it to do so in writing on a form supplied by the Board, reasonable monthly dues, uniformly applied, as Union dues or service charge for the duration of such authorization. Authorization for such dues deduction may be withdrawn by the employees at any time and will become effective at the beginning of the following month. The Union agrees that in the event of litigation against Light and Power, its agents or employees arising out of this provision, the Union will indemnify and hold harmless Light and Power, its agents or employees for any monetary award arising out of such litigation.

GRIEVANCE AND ARBITRATION PROCEDURE

Section 4. Grievance Procedure. Should differences arise between the Board and its employees as to the meaning and application of the provisions of this Agreement an earnest effort shall be made to settle such differences as soon as possible in the following manner:

Step 1. The aggrieved employee and the employee's steward shall discuss the complaint with the immediate supervisor within five (5) days (excluding Saturdays, Sundays, and holidays) following the happening or incident of the complaint. The supervisor shall answer the complaint within 48 hours after the discussion (excluding Saturdays, Sundays, and holidays).

Step 2. If the verbal answer given at the previous step is unsatisfactory, the complaint shall be reduced to writing and it shall be known as a grievance and referred to the Executive Director within ten (10) days (excluding Saturdays, Sundays, and holidays) after receiving Step 1. answer. The written grievance shall include the following:

- A. A statement of the grievance and the facts upon which it is based.
- B. The remedy or correction requested.
- C. The section or sections of this Agreement relied upon or claimed to have been violated. This does not prohibit the use of other sections of the Agreement in the Union's discussion of the grievance.

A meeting will then be held, within 30 days of the receipt of the grievance, between the Executive Director and/or the Executive Director's designate(s) and the Union Grievance Committee, which may consist of the Steward, the Aggrieved Employee and Union President and/or the Union President's designate. The Executive Director shall answer the grievance in writing within five (5) days (excluding Saturdays, Sundays, and holidays) after the second step. The Executive Director's written answer shall contain the reasons for his or her decision.

Step 3. If written answer given at the previous step is unsatisfactory, the grievance shall be referred to the Light and Power Board within ten (10) days (excluding Saturdays, Sundays, and holidays), a meeting shall be held within 30 days of the receipt of the request between a member, or members, of the Light and Power Board, the Executive Director and/or the Executive Director's designate, and the Union Grievance Committee. The Board shall answer the grievance in writing within five (5) days (excluding Saturdays, Sundays, and holidays), after their next regular scheduled meeting. Their answer shall contain the reasons for their decision.

Step 4. If the grievance is not settled in Step 3, and within 30 calendar days after the

written third step answer is received by the Union, the matter may be appealed to binding arbitration. Should this process be initiated, the parties shall first attempt to agree upon an outside impartial person to conduct such arbitration, but in the event the parties are unable to agree, then they shall jointly petition the State of Michigan Employment Relations Commission for an administrative appointment of such a person. The decision of the arbitrator shall be final and binding upon the Board, the Union, and all employees concerned. The expenses and fees incidental to the services of the arbitrator shall be shared equally by the Board and the Union. The arbitrator shall not have authority to alter in any way the terms and conditions of this Agreement or to rule on any item not covered hereunder.

The time limits established in the grievance procedure shall be adhered to by all parties. If either party fails to meet the established time limits, the grievance will automatically advance to the next step, but excluding arbitration. Time limits established in the grievance procedure may be extended by written mutual agreement.

EMPLOYEE REDUCTION

Section 5. **Layoff.** When it is necessary to reduce the number of employees in the Light and Power Department because of lack of work or funds, the Light and Power Executive Director will make a determination of the type of activities to be curtailed and the classes of positions thereby affected. In the selection of employees for layoff, consideration will be given to the following factors:

- (a) Length of service rendered by the employee, and the level of performance rendered by the employee during previous service.
- (b) Advisability of demoting employees in higher grades to lower classifications for which they are qualified and layoff of those in lower classifications. Employees who are separated from the Department through no fault of their own will be given preferential treatment in filling vacancies as provided in Section 9. When and if a layoff or reduction in force becomes necessary in the Light and Power Department, the Executive Director thereof shall consult with the Union representatives as to the plan of layoff.

FILLING VACANCIES

Section 6. **Posting.** On vacancies within the bargaining unit, a posting shall be made for five (5) days in the Light and Power Department before posting in other City Departments or advertising for outside candidates is done. Emergency appointments for limited duration may be made until proper posting and selection procedures have taken place.

Section 7. **Promotions.** The Light and Power Executive Director, in arriving at the decision to appoint or promote one of the eligibles to a vacant position, shall give due consideration to the relative qualifications of each candidate and shall make the appointment on the basis of Department seniority, qualifications, abilities and merit being relatively equal. All appointments and new hires shall be made for a probationary period of six (6) months, during which time the employee's performance will be subject to close review as to competency to carry out the new assignments. The

probation period shall be regarded as an integral part of the selection process and shall be used for closely observing the employee's work for obtaining the most effective adjustment of the employee in his new position and for rejecting any employee whose performance does not meet the required standards. The Executive Director of Light and Power may extend the probationary period for an additional period not to exceed six (6) months when, in the Executive Director's opinion, regular status for the probationer is still in question. An employee serving a probationary period may be separated from the new position at any time with the right of appeal or hearing, provided the Executive Director submitted to the Union, a written report stating the reasons for such action, and, in the case of promotion, the employee is returned to the position occupied prior to the probationary promotion, it being understood that the action of management cannot be arbitrary and capricious. Regular status will be given to any employee who satisfactorily completes a six (6) months or extended probationary period.

Section 8(A). Promotional Progressions. The normal line of promotion in the Light and Power Department shall be as follows, provided that those employees in the lower steps are willing and qualified to advance:

- (a) 1. Tree Trimmer to Tree Trimmer Crew Leader.
2. Tree Trimmer Crew Leader, Meter Reader or Stores Clerk to Metering Assistant or Field Assistant.
3. Stores Clerk to Head Storekeeper/Dispatcher.
4. Metering Assistant or Field Assistant to Line Apprentice.
5. Line Apprentice to Lineworker "B".

6. Lineworker "B" to Lineworker "A".
 7. Lineworker "A" to Serviceworker or Lead Lineworker.
 8. Metering Assistance to Metering Technician.
 9. Metering Technician to Metering and Technical Services Lead.
- (b)
1. Power Production Technician/Hydro Maintenance to Maintenance Mechanic "A".
 2. Maintenance Mechanic "A" to Senior Plant Maintenance Mechanic.

The Instrument & Control Technician and Electric System Operator position will be filled on the basis of the special qualifications required and may be filled by employees having such qualifications regardless of position occupied.

Section 8(B). Lineworker Apprentice Program. The Board and the Union agree that it is desirable to allow growth into the Lineworker promotional progression by current employees, and that in order to accomplish a workable progression, the following principles will be observed:

- 1) Effective July, 2005, any persons successfully bidding into the position of Lineworker Apprentice will be given training in Lineworker's skills during their probationary period.
- 2) Lineworker Apprentices will be evaluated by the Executive Director by the end of their probation period on their ability to progress to Lineworker "B" and Lineworker "A".
- 3) Lineworker Apprentices will receive one of three evaluations: pass, fail, or probation extended.
- 4) Lineworker Apprentices after having satisfactorily completed the first year of the Apprenticeship Program, and showing adequate capability to complete the remainder of the program, shall be advanced to the Lineworker "B" position.

- 5) Failing Lineworker Apprentices must vacate the position of Lineworker Apprentice, returning to their previous positions. The vacated position will then be posted.
- 6) Upon the successful completion of the Apprenticeship Program, the receipt of a Journeyman Lineworker Card, an individual shall be promoted to the position of Lineworker "A".

Section 8(C). Metering Assistant Program. Persons in the Metering Assistant Program shall be required to serve 6,000 hours of on-the-job training. While on such training they shall be required to take courses to advance their knowledge in the metering field. Required courses shall be as follows: basic metering, single phase metering, electronic meters, polyphase meters. These courses shall be taken in order and must be successfully completed prior to taking the next course. Persons in the program shall be allowed to take only one course over in order to successfully complete it. Failing Metering Assistants must vacate the position and return to their previous position.

After completion of the required courses, and the 6,000 hours of on-the-job training, the Metering Assistant shall advance to the position of Metering Technician (Range5). After serving a minimum of 2,000 hours as a Metering Technician an individual will then be qualified to bid for a Metering and Technical Services Lead position (Range 7).

Section 9. Selection Priorities. The consideration of applicants for selection shall be based on the following priorities:

- (a) Re-employment of regular full-time employees separated from the Department through no fault of their own within the previous twelve (12) months.
- (b) Regular full-time department employees at lower levels who are qualified for and

desirous of the promotion.

- (c) Applicants who are properly qualified including employees in other City Departments and those not now or never have been regular full-time employees.

Section 10. Temporary Appointments. Regular full-time employees who are appointed to temporary positions, i.e., a position which is clearly understood to be of a limited duration, may be made for a period not to exceed six (6) months and notice shall be given to the Union of such temporary appointments.

Section 11. Rate for Temporary Assignment. In any case where an eligible employee is qualified for and is temporarily required to serve in and accept the responsibility for work in a higher class or position, such employee shall receive the entrance rate of that class, or one step above the employees present rate, whichever is higher; this higher rate will apply immediately upon accepting these higher duties. An employee may be temporarily assigned to work in any position that employee is qualified for of the same or lower class range without any change in pay.

When the Certified Welder is engaged in welding on pressure vessel components, the Certified Welder shall be temporarily raised to Range 8 at the same step the Certified Welder currently holds in Range 6, for the hours involved.

When an employee has been designated by L&P's Executive Director to serve in a temporary supervisory capacity for a period of 8.0 consecutive hours or more and moves from a non-managerial union position to a position of management, a 5% increase in base wages shall be made for that designated period of time.

DEFINITION OF EMPLOYEES

Section 12. Regular Full-Time Employees. Employees normally scheduled to work on a regular annual basis and who are listed as regular full-time employees in Appendix A, shall be considered as regular full-time employees and shall be subject to all the terms of this Agreement.

Section 13. New Probationary Employees. New employees shall be on probationary status for the first six (6) months of employment. New employee's probationary period may be extended for an additional six (6) months provided the Executive Director gives advance notice of such extension and the reasons therein. Upon completion of the new employee's probationary period, the employee shall be put on the seniority list and such seniority shall commence from the date of hire. New probationary employees may be laid off or dismissed without recourse to the grievance procedure. The Union President will be given notice of the termination of a new probationary employee. At the conclusion of the first three (3) months, the new employee shall become eligible for the fringe benefits as described in other sections of this Agreement, at the designated effective dates.

Section 14. Temporary/Seasonal Employees. Employees who are scheduled for temporary/seasonal employment (that is employment clearly understood to be of limited duration) shall be classified as temporary/seasonal employees and shall not be subject to the provisions of this Agreement. Appointment to temporary/seasonal positions may be for periods not to exceed six (6) continuous months, but the six (6) months may be extended with the union's consent. Employees hired as a result of temporary project-oriented State and/or Federally funded programs shall be considered temporary/seasonal employees. If, during the duration of a temporary/seasonal position,

the position is changed from a temporary/seasonal to a regular status, appointment to fill the regular position will be made in conformity with the procedure for filling vacancies. All temporary/seasonal employees who become permanent employees shall have, as credit to their probationary period, only the time worked under regular status. If temporary/seasonal employment is extended beyond the first six (6) months, then the temporary/seasonal person shall pay the dues as outlined in Section 1.(a).

PROHIBITION

Section 15. No Strike - No Lockout. It is agreed that during the term of this Agreement, and while both parties, or either party, is willing to continue negotiations for the renewal of this Agreement, there shall be no lockouts, strikes, stoppages of work, slowdowns or interruptions of service. All matters in dispute shall be handled in the manner provided by grievance procedures and other contract provisions. The Board agrees, as part of the consideration of this Agreement, that neither the Union, its officers or official representatives, shall be liable for damages for unauthorized picketing, strikes, concerted failure to report for work, slowdowns or stoppages of work, if:

- (a) The Union gives written notice to the Board and the employees involved within twenty-four (24) hours of such action, that it has not authorized the stoppage, strike, slowdown or suspension of work and such written notice directs the employees involved to return promptly to their jobs and cease any further violation of this Agreement, and if,
- (b) The Union at the same time authorizes the Board to give further publication of such notice as in the sole judgement of the Board appears desirable. It is recognized that

the Board has the right to take disciplinary action, including discharge, against any employee who is responsible for or participates in a breach of this provision, whether or not the Union gives the notice provided in this Section, and that such action shall not be subject to dispute or grievance by the Union.

SCHEDULE OF WORK

Section 16. Workweek and Workday. The regular working hours of employees working other than an afternoon or night shift and who are regularly scheduled, shall consist of not more than eight (8) hours in nine (9) consecutive hours beginning between 7:00 a.m. and 9:00 a.m. Summer hours for the Service Unit shall be from 7:00 a.m. to 3:30 p.m. for the period from Monday after the first Sunday in April through Friday before the first Sunday in October. The lunch hour, by agreement and arrangement, may be either one half hour or one full hour. Forty (40) hours shall constitute a normal work week for non shift workers. Any hours other than these hours will be at overtime or call-in rates.

Section 17(A). Work Schedule for Power Production Technician. The regular working schedules for Power Production Technician employees performing continuous functions shall be arranged and posted in advance and shall provide for a workday of eight (8) hours and a workweek of forty (40) hours. Except in emergencies, this schedule shall not be rearranged on less than twenty-four (24) hours notice to the affected employee. Working schedules, unless otherwise mutually agreed upon, will provide rotation of shifts so as to equalize as nearly as possible night shifts and Sunday work among such employees. Power Production Technician employees not performing continuous

functions will work the hours of non-shift personnel, Monday through Friday.

The Power Production Technicians are considered shift personnel. Their duties are to operate power production equipment on an as needed basis. Power Production Technician personnel will work the hours of non-shift personnel, Monday through Friday. However, it is understood that employees can be placed into shift employee status as the needs of the service demand. Time worked in excess of eight (8) hours per day or forty (40) hours per week will be paid for at overtime rates in accordance with Section 21.

Section 17 (B). Work Schedule for Electric System Operator Personnel. The regular working schedules for the Electric System Operator (ESO) shall be arranged and posted in advance, and shall provide for a work week of forty (40) hours. The specific regularly scheduled work hours may exceed eight (8) hours per day, but these hours will be compensated at straight time rates. Except in emergencies. This schedule shall not be rearranged on less than twenty-four (24) hours notice to the affected employee. Work schedules, unless otherwise mutually agreed upon, will provide rotation of shifts so as to equalize, as nearly as possible, night and weekend shifts among such employees.

Overlap Operator. The five (5) person rotating shift incorporates some overlap of personnel during the busiest hours of the week. The position of “overlapping” operator rotates to a different ESO at the beginning of each week (Monday). Their regularly scheduled hours are 6 am to 4 pm Monday through Thursday. They are to fill the position of “relief” Operator for that particular week. When a paid holiday falls on a Wednesday or Thursday (currently overlap days), the overlap operator, when regularly scheduled to work on the holiday, and determined by

management that his/her services are not required, may be released without loss of straight time pay.

Section 18. Subject To Call. Notwithstanding any prearranged or established schedule of an employee, any or all employees shall be subject to call and shall report for emergency work.

Section 19. Call-in-Pay. Any employee who is required to return to work during his normal off time shall be compensated at an minimum of three (3) hours pay at straight time or at time and one-half (1-1/2) for actual time worked, and double (2) time on Sundays and holidays, whichever is greater.

Section 20. Stand-by. Two Line Workers will be on standby status on a weekly basis to respond to after hour trouble calls. They will be provided with pager, cell phone and company vehicle.

Standby compensation will be as follows:

Monday through Friday	1.0 hour pay per day
Saturday	2.0 hour pay per day
Sunday and Holidays	3.0 hour pay per day

Section 21. Overtime. Time worked outside the regularly scheduled working hours provided for in this Agreement shall be considered as overtime work and shall be compensated for at the rate of time and one-half (1-1/2), double time (2) on Sundays and double (2) time pay for holidays worked plus pay for the holiday on the holidays listed in Section 32. Consecutive hours worked by an employee in excess of sixteen (16) hours shall be compensated at double (2) time rate. For those employees having regularly scheduled off-days other than Saturday and Sunday and who normally

work five (5) successive days and have the following two (2) days off, the seventh (7th) consecutive day of work shall be compensated for at a double time rate. Those employees who are regularly scheduled to have four (4) days off in a row, shall be compensated in the event they work on a day or days off at the following rates: For the first (1st) and third (3rd) scheduled day off, if worked, pay at one and one-half (1-1/2) times the regular rate. For the second (2nd) and fourth (4th) scheduled day off, if worked, pay at two (2) times the regular rate. In the event shift employees split a shift schedule, employees will receive double time pay for overtime worked outside "regularly-scheduled working hours" on Sunday.

The appropriate remedy in cases where employees have been damaged through error in the application of the call out procedure, shall be for Management to provide productive work under similar circumstances and pay in an amount equivalent to the overtime which had been lost. This work time provided cannot be used in lieu of calling out another employee, but must be established as additional overtime.

Section 22. Rest Period. An employee who has worked sixteen (16) or more hours within a twenty-four (24) consecutive hour period shall, whenever possible, be released from duty. If an employee who has worked sixteen (16) hours within a twenty-four (24) consecutive hour period is released, the Employer will attempt to give the employee eight (8) hours rest before requiring the employee to report for work. If, within the eight (8) hour rest period, the employees regular work hours are scheduled, the employee will be paid for the regular scheduled hours during this rest period as their regular straight time hourly rate.

If a non-shift employee is called out to work between the hours of midnight and 7:00 a.m.

of a regular scheduled work day and works more than two (2) hours, the employee will receive rest time equal to the time worked. Rest time will be paid at the employee's regular straight time hourly rate and will be taken during the employees regular scheduled work hours that day. If the employee is not released for rest time, the employee will be paid double time for the hours worked between midnight and 7:00 a.m.

Section 23. Shift Premium. Employees engaged in continuous operation shall be entitled to shift differential pay at the rate of one dollar (\$1.00) per hour for the second or afternoon shift, and one and one half dollars (\$1.50) per hour for the third or night shift. Any employee will receive shift differential when working on a shift schedule temporarily.

LEAVES OF ABSENCE

Section 24. Personal Leave. The Executive Director may authorize special leaves of absence with or without pay where such leaves will prove beneficial to the Board. Temporary leaves may be granted to employees for their personal benefit where such leave will not obstruct or impair the work of the Department and where it is desirable to retain the services of the employee. An employee on any leave of absence without pay shall not, during such leave, earn any sick or annual leave benefits and the time period covering such leave will not be considered in computing longevity pay or step increases within a salary range.

Section 25. Personal Leave Days. All employees are entitled to three (3) Personal Leave Days, with pay, per fiscal year. The Personal Leave Day will be scheduled in advance with the

Superintendent, or his designate. An amount of advance notice will be acceptable as long as it does not interfere with the work schedules, and does not cause the scheduling of another employee at overtime pay to fill in for the employee taking the Personal Leave Days. The day taken off as Personal Leave Day will be paid at eight (8) hours of regular rate time. This benefit is eligible to all employees hired as regular full-time employees (including new probationary employees), effective at date of hire.

Section 26. Unauthorized Leaves. Any absence of any employee from duty, including any absence for a single day or part of a day, that is not authorized by a specific grant of leave of absence under the provisions of this Agreement will be deemed to be on absence without leave. Any such absence shall be without pay and may be subject to disciplinary action. In the absence of such disciplinary action, any employee who absents himself or herself for three (3) consecutive working days without leave shall be deemed to have resigned. Such action may be reconciled by a subsequent grant of leave if the conditions warrant such grant of leave.

Section 27. Funeral Leave. Emergency leave shall be granted in case of death of any relative living within the household of an employee, or for the death of a:

wife,
husband,
child,
father,
mother,
sister,
brother,

aunt,
uncle,
grandfather,
grandmother,
grandchild,
son-in-law,
daughter-in-law,

father-in-law of current
marriage,
mother-in-law of current
marriage,
sister-in-law of current
marriage,
brother-in-law of current
marriage.

Such leave shall be granted from the date of death to the date immediately following the date of the funeral, not to exceed three (3) working days. Additional leave not to exceed two (2) days shall be granted for the death of a spouse or child or any relative living within the household of an employee. The employee may be asked to provide verification of need (obituary, death certificate, etc.).

Section 28. Short Term Disability, Sick/Short Term Leave. Light & Power will provide Short Term Disability insurance coverage for each full time employee for a disability not arising out of or in the course of employment, which shall provide, at a minimum:

- A) Up to twenty-six (26) weeks of coverage per occurrence.
- B) Coverage which shall be effective upon the first (1st) day of an accidental injury and the eighth (8) day of illness (physical disease, pregnancy or medical disorder).
- C) A weekly benefit guarantee of 66 2/3% of the employee's gross wage.

On December 1 of each year, each regular full-time employee shall receive seven (7) paid short-term leave days. Short-term leave may be taken in increments of one quarter (1/4) hour or greater, upon approval of the employee's supervisor, provided the employee requests this leave at least twenty-four (24) hours prior. Where an employee requests short-term leave for an illness, such

notice is not required. Requests for short-term leave shall not be arbitrarily or unreasonably denied. Short-term leave may not be accumulated from year to year. New hires shall receive short term disability benefits beginning the first of the month after the date of hire and they will receive an initial pro rata amount of short-term leave days based on the first full month after the date of hire and a benefit period from December 1 to November 30.

On the first full pay period following December 1 of each year, each regular full-time employee shall receive payment for all unused short-term leave, not to exceed seven (7) days, at the employee's regular rate of pay. Such payment shall be made separate from the employee's regular payroll check.

Employees shall retain all sick leave accumulated through December 31, 1996. Accumulated sick leave may be used by the employee for a bonafide illness or injury only as follows:

- A) In lieu of Short Term Disability insurance coverage where the employee would otherwise qualify for benefits under the terms of the policy, or otherwise provided by the employer.
- B) For all days not covered by the Short Term Disability insurance, provided the length of time lost, due to the illness or injury, would qualify the employee for benefits under the terms of the policy, or otherwise provided by the employer.
- C) In the event a member of the employee's immediate family, living in the same household, is ill or injured and a doctor, licensed day care provider, or school official, has recommended that the employee remain at home during this illness or injury. The employee must provide the employer written verification of this recommendation to be eligible to use accumulated sick leave for this purpose.

- D) Where the illness or injury arises out of, or in the course of, employment with the Employer, to provide the difference between the employee's regular pay (Base plus longevity), based on their normal (40 hrs.) work week, and the weekly benefit provided through Workers Compensation Insurance; provided however, only the amount of sick leave required to make up this difference shall be deducted from the employee's sick leave bank. Sick leave will not be deducted for the day of the injury.
- E) To provide the difference between the employee's regular pay, based on their normal work week, and the weekly benefit as provided through the Short Term Disability Insurance, or otherwise provided by the employer. Provided, however, only the amount of sick leave required to make up this difference shall be deducted from the employee's sick leave bank.

An employee on short term disability leave shall continue to receive fringe benefits during such leave provided the employee continues to pay their portion of the fringe benefits.

Upon an employee's death or retirement, the employer shall pay the employee, or the employee's estate, for fifty per cent (50%) of their accumulated sick leave. Such payment shall be at the employee's regular rate of pay at the time of death or retirement. Such payment shall not apply to days accumulated in excess of one hundred and twenty (120).

An employee who has exhausted the paid leave available to him/her under the provisions of this Article shall be considered on a leave of absence without pay. An employee receiving short term disability insurance benefits shall be considered on a paid leave for purposes of accruing seniority and fringe benefits.

Effective February 5, 1994, the Family Medical Leave Act (FMLA) provisions may apply

to this article. The Employer shall comply with the regulations thereof.

Section 29. Sick Leave Cash Out. Employees who have more than thirty (30) days of sick leave and ten years of service shall have two (2) choices available to them:

Choice #1: These employees can maintain their time at their current level and use it as sick leave use as allowed under the Short Term Leave Plan. No additional time will accrue.

Choice #2: These employees can “cash out” all amounts of sick leave in excess of thirty (30) days up to one hundred twenty (120) days at the rate of one-half ($\frac{1}{2}$). Days in excess of one hundred twenty (120) will be added to the thirty (30) day bank. No additional time will accrue.

This choice must be made as a one time selection but may be made at any time after the employee reaches ten (10) years service. The amount of the “cash out” will only be placed in a deferred compensation plan of the employee’s choosing, as then currently offered by the Employer. This “cash out” shall be made in accordance with IRS regulations and may be spread over a two (2) year period at the employee’s request. If the “cash out” cannot be placed in a deferred compensation plan due to IRS regulations, then the “cash out” will be made directly to the employee. The remaining Sick Leave bank may be used as allowed under the Short Term Leave Plan.

Section 30. Workers’ Compensation Benefits. All employees shall be covered by the applicable Worker’s Compensation Law. If any employee is disabled in the course of and arising out of their

employment and as such is deemed eligible for worker's compensation benefits such employee shall be paid their rate of pay from the date of injury to which time worker's compensation wage benefit begins, but not to exceed one (1) calendar week. Under the Workers Compensation Act no compensation is paid for an injury that does not last for at least one (1) calendar week. If the disability lasts beyond one (1) calendar week, the worker is entitled to benefits as of the eighth (8th) calendar day after the injury. If a disability continues for two (2) calendar weeks or longer, then the worker is entitled to be paid compensation for the first (1st) calendar week of disability. If this occurs, the employee shall immediately pay back the appropriate sum received to Light & Power. Employee's shall be allowed salary payments which, with this worker's compensation wage benefit, will equal their regular wage. Wage payments used to supplement worker's compensation wage benefits shall be deducted from the employee's accrued sick leave (if applicable), short term leave bank, personal leave days, or accrued vacation bank. If the employee's banks are exhausted, the employee shall receive compensation payments only in accordance with workers' compensation law. Regular full-time employees receiving workers' compensation benefits shall not be subject to loss of seniority while on such leave. An employee on workers compensation leave shall continue to receive fringe benefits through the first six (6) months while on such leave, provided the employee continues to pay their portion of the fringe benefits.

Nothing in this Section prevents the employer from returning an employee to work.

Section 31. Military Leave.

(a) Any Employee who is drafted into the active service of the Armed Forces of the United

States or in the United States National Guard or Reserve or enlists for the minimum tour of duty or is required to remain in service due to national emergency shall receive a leave of absence for the period of such duty and seniority shall continue. An employee returning from military service shall be re-employed within the bargaining unit in accordance with the applicable Federal and State Statutes and shall be entitled to any other benefits set forth in this Agreement, provided he or she satisfies the eligibility requirements established under this Agreement.

- (b) A full-time employee with reserve status in the Armed Forces of the United States or membership in the National Guard who is called to participate in training sessions shall be permitted leave for this purpose according to Federal and State law. The employee shall furnish to the Board, in writing, a statement of the Government Pay received for this service during this period. If such Government Pay less any expenses does not equal the employee's normal pay, the employee shall be paid the difference by the Board for a period not to exceed two (2) calendar weeks (10 work days) in any one (1) calendar year.

Any additional time which an employee may be required to serve or to attend military meetings shall not be compensated by the Board, except for conditions stated in paragraph (a) above.

If the employee's Government Pay equals or exceeds his or her normal take home pay, there shall be no payment of salary by the Board for such time.

Section 32. Recognized Holidays. The holidays to be observed by the employees covered by this Contract are:

New Year's Day

Labor Day

Washington's Birthday	Thanksgiving Day
Good Friday	Friday immediately following Thanksgiving Day
Memorial Day	Christmas Day
July 4 th	

For non-shift workers, when these holidays fall on a Sunday, the following Monday shall be considered the holiday; and when these fall on a Saturday, the preceding Friday shall be considered the holiday. The days on which the above holidays are celebrated shall be the same as those observed by the U.S. Government, where applicable.

- (a) Non-shift workers shall observe these holidays with time off at regular pay.
- (b) Shift workers on continuous operations shall work the days according to the schedule and shall receive double (2) time pay for hours worked on the holiday plus holiday pay to be paid in the payroll period in which the holiday falls. No additional pay shall be paid for employees working on their birthdays.
- (c) When a holiday falls on a day that an employee is off on vacation or sick leave, the employee is paid holiday pay and the vacation or sick leave pay is reserved for further use.
- (d) Holiday pay will not be allowed an employee who does not work when the employee is scheduled to work and fails to report without good reason, or when the employee is absent without permission on the last day before or the first day after the holiday. (i.e. regularly scheduled work days).
- (e) An employee shall be allowed to take his or her birthday (or a day in lieu of birthday approved by the supervisor) off of work with regular pay. If the employee's birthday

falls on a holiday or regular scheduled off-day, the employee may take one other day off with pay upon prior approval of the employee's supervisor. Requests for birthday leave, whether on the actual day of the birthday or on another day in lieu of the actual date of the birthday as provided in the last sentence shall be requested in the same manner as requests for vacation leave. This benefit is eligible to all employees hired as regular full-time employees, effective at date of hire.

Section 33. Vacation Leave. Requests for any type of leave shall be made on the prescribed form, and shall be made far enough in advance to permit prior approval, if possible. However, leave may be granted where an employee is unable, by reason of illness, incapacity, or other factors, to file application for leave in time for proper processing. The Board will provide leave balances on the employees payroll check stub and the vacation and sick time availability reports issued each pay period. Vacation requests by regular shift personnel should normally be made one (1) week or more in advance to permit proper scheduling of relief personnel. Supervisors shall schedule vacation leave for employees with particular regard to seniority of those employees, and to maintain efficient and effective operations. Vacation leave requests shall be processed by the appropriate supervisor within seven (7) calendar days from the time of submission of the vacation leave request.

Section 34. Vacation Benefit. Vacation is based on anniversary year and each regular full-time employee of the Board in this bargaining unit shall be allowed annual leave, with pay, in the following manner:

- (a) Five (5) work days after one (1) year of continuous service.

- (b) Ten (10) work days after two (2) years of continuous service or 10/12ths day per month for each month after first year.
- (c) Fifteen (15) work days after seven (7) years of continuous service or 15/12ths days per month for each month after six (6) years of continuous service.
- (d) Twenty (20) work days after sixteen (16) years of continuous service or 20/12ths days per month for each month after fifteen (15) years of continuous service.
- (e) Twenty-five (25) work days after twenty-two (22) years of continuous service or 25/12ths days per month for each month after twenty-one (21) years of continuous service.

No regular full-time employee shall be entitled to paid vacation until the employee has served the Board for one continuous year. Thereupon he or she shall receive five (5) workdays annual leave, for each month of additional service after the first continuous year of service an employee is accumulated one-twelfth (1/12th) of the vacation days that employee is eligible to receive per year, any of which may be used or accumulated as earned after the first year. Vacation days accruing to an employee in excess of twenty (20) as of July 1st shall be used by the employee or lost prior to the following October 31st. Upon separation from the service, employees will be entitled to compensation for any unused portion of accumulated leave—except separation for retirement, at which time the employee will be entitled to reimbursement for a maximum of ten (10) days accumulation. If an employee transfers out of the Bargaining Unit, accumulated vacation leave shall be retained as a benefit of the new position.

LONGEVITY

Section 35. Longevity Benefits. Employees who have given long and faithful service to the Board

shall be compensated with additional pay over and above that to which they are normally entitled in the following manner:

- (a) After ten (10) years of continuous service - three (3%) percent of the employees' regular pay rate.
- (b) After fifteen (15) years of continuous service - an additional two (2%) percent for a total of five (5%) percent of the employees' regular pay rate.
- (c) After twenty-five (25) years of continuous service - an additional two (2%) percent for a total of seven (7%) percent of the employees' regular pay rate.

In determining continuous service, any employee who leaves the Board's employ voluntarily and/or is discharged and at a subsequent time returns to employment by the Board shall be credited with service only from the date of their latest re-employment. Effective July 1, 1983, new employees, or rehires returning to employment, shall not be entitled to longevity benefits.

HOSPITALIZATION

Section 36. Hospitalization. The Board shall provide, for all regular full-time employees in the Bargaining Unit, and all eligible members of the employee's family the following options: H.M.O. plan(s), P.P.O. plan(s), or a traditional health insurance program as currently offered through BC/BS of Michigan. In addition, the following shall be provided:

Vision Care Rider A-80.

Dental Rider 75-50-50-50 - \$1,000.

Effective January 1, 2006: Dental Rider 75-50-50-50 - \$1,500.

It shall be the responsibility of the employee to report changes in status to the Personnel

Office within thirty (30) days of such change. Such changes in status include: birth or death of a family member, marriage of a dependent, divorce, or election of coverage under a spouse's policy of hospitalization.

If the F-Rider is requested by an employee, the necessary premiums for this rider shall be assumed by the employee.

There shall be a Health Insurance Committee consisting of equal representation by the Employer and the Union. This committee shall periodically examine the Employer's health insurance program including, but not limited to, alternate providers, benefit levels, and premiums and shall make recommendations to the Employer regarding such.

The Board retains the right to review alternate health care coverage and to implement such programs provided that the carrier is licensed to do business in the State of Michigan, provides equivalent or greater benefits and coverage, and is recognized and accepted by the Health Care Community.

New employees shall be entitled to hospitalization insurance, as soon after completion of the first three (3) months of the probationary period as allowed by the Health Carriers Agreement.

The Board shall also pay for tetanus and booster shots according to schedules and dosage recommended by medical authorities for all employees desiring tetanus inoculation.

Upon a regular employee's retirement (as defined under the terms set forth under the Municipal Employees' Retirement System (MERS) if said employee retires directly from his employment with TCL&P under the aforementioned MERS system) the Board agrees to pay the premium for retiree hospital-medical-surgical insurance coverage for the retiree only. The retiree may elect to pay the premium for dependent coverage. Upon the retiree's eligibility for medicare coverage, the retiree shall notify the employer of such. The Board shall then pay only the premium

for the retiree's complementary coverage. The retiree may elect to pay the premium for dependent coverage.

Any employee who is laid off or who goes on an unpaid leave of absence shall pay the required hospitalization insurance premiums beginning the first of the month following the layoff or the beginning of the leave of absence.

Health, Medical and Surgical Insurance Cost Cap:

(Not to include Vision or Dental): The Board shall be responsible for one hundred percent (100%) of the applicable premium plus fifty percent (50%) of the premium in excess of the following caps:

Effective July 1, 2003:

A - Single Person.....\$266.00 per month

B - Two-person coverage.....\$470.00 per month

C - Family coverage.....\$496.00 per month

If any other City Departments receive cap increases, L&P caps will increase accordingly effective concurrently.

Once the premiums exceed the above limits, the Board shall be responsible for fifty percent (50%) of the increased amount, and the employee shall be responsible for fifty percent (50%).

The Board agrees to compensate employees who have other health insurance coverage, two thousand four hundred dollars (\$2,400.00) per year pro-rated at two hundred dollars (\$200.00) per month for opting out of the Employer's health insurance coverage. Opt-out compensation will be payable at the end of the health insurance year for eligible employees, including those who terminate during the year. Eligible employees will be required to sign a Payment In Lieu of Insurance Waiver and Release form annually.

Section 37. Retirement Health Savings Plan. The Board agrees to provide a Retirement Health Savings (RHS) Plan to allow employees to save for retiree medical expenses with pre-tax dollars. The Board agrees to match a maximum of one percent (1%) of an employee's gross salary provided an employee contributes a minimum of one percent (1%) of an employee's gross salary to the plan. Employee's contribution, once selected, is irrevocable.

Section 38. Life Insurance. Fifty thousand dollar (\$50,000) term life insurance policy per eligible employee with a double indemnity provision for accidental death. Employer shall pay the premium up to the time employee retires or terminates employment.

Section 39. Pension Benefit. Permanent full-time employees in the bargaining unit shall be included in the retirement plan. Currently, this program is under State legislation, 1945 Michigan Public Act 135, as amended, the Municipal Employees Retirement Act (MCLA 38.601 et seq; MSA 5.4001 et seq. provisions of the statute) and need not be included here.

The Board shall provide the following pension plan or its equivalent:

1. The B-3 program
2. The F50/25 Early Retirement Benefit
3. E-2
4. V-6, Effective 7-1-02

All contributions to the pension plan shall be made by the Light and Power Board.

The Union may request an actuarial valuation through MERS to identify the cost associated with improvements to the above mentioned benefits. If, during the term of this agreement, the

Union determines it is in their interest to improve these benefits, they may do so providing: a) the actuarial valuation identifying the costs associated with the benefit improvement(s) is valid, b) the full future costs, during and beyond the terms of this agreement, associated with the benefit improvement(s) will be the sole responsibility born by the employees, and c) payments shall be deducted from the employee's pay as determined by the separate actuarial valuation.

Section 40. Long-Term Disability Insurance. Light and Power Board shall pay the cost of providing Long Term Disability Insurance coverage to all regular full-time employees who have completed the first three months of their probationary period. The benefit schedule will provide:

1. 60% of basic monthly earnings to a maximum benefit amount of \$4,000.
2. Qualifying period for benefits: 6 months.

DISCIPLINE AND DISCHARGE

Section 41. Suspension. An employee may be temporarily suspended from service for disciplinary purposes where the cause is not sufficient to warrant demotion or dismissal. An employee may be suspended without pay for such periods as are justified by his or her improper conduct except that no employee will be suspended for a period greater than thirty (30) days. At the time of suspension, the Executive Director must give the employee a written notice of suspension, including the reasons therefor, and send a copy to the President of the Local Union. Any suspension which would have the effect of making the total time during which the employee is suspended without pay in any twelve (12) month period greater than thirty (30) days will be deemed a dismissal, and will be subject to the provisions of this Contract concerning dismissals.

Section 42. Demotions. Demotions, as a form of penalty, may be made when the employee does not give satisfactory service in the position he or she holds. At the time of demotion, the Executive Director must give the employee written notice of demotion, including the reasons therefor, and submit a copy to the President of the Local Union. A demotion may be appropriate when an employee does not warrant dismissal from the service but gives evidence of being able to perform work in a lower classification.

Section 43. Dismissal and Discharge. Dismissals or discharges or separations made for misconduct, inefficiency, insubordination, or other just cause may be made at any time, but at the time of dismissal, the Executive Director must give the employee written notice, including the reason for the dismissal, and must submit a copy to the President of the Local Union. Dismissal without previous disciplinary action shall be used only in the most serious cases of employee misconduct.

Section 44. Cause for Disciplinary Action. Just causes for discharge, suspension or demotion in the service are listed in the following subsections, although discharge, suspension or demotions may be made for other just causes. The appeal process on disciplinary action will be the same as the grievance procedure which was outlined in previous Sections:

- (a) The employee has been convicted of a felony or a misdemeanor involving moral turpitude.
- (b) The employee has violated any of the provisions of the merit system or of the regulations of this Contract.

- (c) The employee has violated any lawful official regulation or order or fails to obey any proper direction made and given by a superior.
- (d) The employee has been in possession and/or under the influence of intoxicants or illegal drugs while on duty.
- (e) The employee has been guilty of insubordination or disgraceful conduct on duty.
- (f) The employee is offensive in his conduct or language in public towards the public, city officials, or employees on duty.

MISCELLANEOUS

Section 45. Citizenship and Residency Requirements. All employees shall be citizens of the United States and shall maintain a permanent and bona fide residence within reasonable distance of the City, not to exceed a fifteen (15) miles radius or twenty (20) road miles whichever is greater as measured from the nearest city limit.

Section 46. Captions. The captions used in this Agreement are for identification only and are not a substantive part of this Agreement.

Section 47. Safety, Tools and Equipment. Where the Board requires uniforms or special work clothes, including lineworkers, it shall supply them and pay for laundering them. The Board will provide necessary safety equipment and tools, and all employees using such equipment and tools shall be charged with the proper care of them. Clothing, tools and other equipment will be assigned, and will be replaced if worn out or accidentally damaged. If such equipment is damaged or lost through employee's carelessness, or from accident not connected with employment with the Board,

the employee shall replace such equipment. An employee's failure to properly use safety tools and equipment and to observe recognized safety procedures will be cause for disciplinary action.

The Board shall purchase and replace when necessary, at its cost, gloves to be used by members of the bargaining unit. At the beginning of the term of this Agreement, each employee will receive four hundred and fifty dollars (\$450) added to the regular pay check (pre-tax) as a clothing/boot allowance to be used for the purchase of work clothing (including cold weather gear) and work boots (including safety shoes/boots).

Section 48. Supervisors Working. Supervisors shall perform no work which is the usual responsibility of employees covered by this Agreement, except where emergencies may require or where the performance of such work is for the purpose of training or demonstration.

Section 49. Work In Inclement Weather. The employer will not require employees to work outdoors during inclement weather except in the case of emergency.

Section 50. Personnel Review. A service rating system may be introduced for the purpose of having supervisors and department heads periodically appraise the services of their subordinates, using a prescribed form for this purpose. The service ratings may be used by department heads and the Executive Director as a basis for more effective personnel control. The quality of service rendered by the employee in the past, will, in any case, receive due consideration in such personnel transactions as promotions, transfers, demotions, terminations, and salary adjustments. Service ratings, where used, shall be reviewed by the employee but such ratings may not be seen by unauthorized persons. In case of dispute, the employee may ask for a review of the ratings by the

department head before the rating becomes final with the Union being permitted to represent such employee at such a review.

Section 51. Termination of Employment. An employee voluntarily resigning their position should, whenever possible, give sufficient advance notice (preferable two (2) weeks or more) of his or her intentions to enable the department to make proper provisions to cover their absence. Resignations should be in writing to the Light and Power Executive Director. An employee retiring shall provide one (1) months notice in writing to the Executive Director. Failure to provide such notice shall disqualify said employee from any accrued sick leave cash outs available under applicable sections of this Agreement. This notice requirement shall be waived in circumstances beyond the employee's control necessitate a shorter notice period.

Section 52. Classifications and Wage Rates. The job titles of the employees covered by this Agreement and the wage rates to be paid for such classifications, effective July 1 of each year, are set forth in a separate schedule - Appendix A - and are part of this Agreement by reference.

Section 53. 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 referred to or covered by this Agreement and with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge and contemplation of either or both of the parties at the time they negotiated or signed this Agreement.

Section 54. Meals Allowance. When an employee is required to report to work two (2) hours or more preceding his or her regular starting time, without advance notice, and continues work into his or her regular shift, he or she will be furnished a reasonable meal at the Board's expense as soon as conditions permit.

When an employee is required to work beyond his or her scheduled quitting time for more than two (2) hours, he or she will be furnished a reasonable meal at the Board's expense as soon as conditions permit and thereafter every six (6) hours.

Meals will be provided by bringing a meal to the job or transporting the employee to an eating place. The Board will pay a maximum of five dollars (\$5.00) for breakfast and eight dollars (\$8.00) for dinner. Meal allowance will be paid on separate check, whether or not the employee has a meal.

Meals allowed after quitting time of two (2) hours and after every six (6) hours thereafter for time worked shall be considered as dinner meals with respect to reimbursement.

When such a meal is furnished by the Board, time away from the job with pay shall be allowed by the Board, limited to fifteen (15) minutes for meals brought to the job site, and thirty (30) minutes when the employee is transported to an eating place.

Section 55. Education Incentives. Light and Power will reimburse up to one hundred percent (100%) of the cost of tuition for the attendance and education or training courses subject to the following:

1. Prior approval by the Executive Director on the course for the employee.
2. Submission of proof of payment (50% reimbursement).
3. Submission of proof of course completion with a passing grade (2.0 grade point) (50% reimbursement).
4. All education and training under this section of the Bargaining Unit Agreement shall be obtained during the employee's off-duty time.

Section 56. Continuous Service. Authorized paid vacation leave, authorized paid sick leave or authorized paid leave of absence, shall not be deemed to interrupt continuous service for purposes of entitlement to fringe benefits. However, receipt of vacation or sick leave or any other authorized paid leave in connection with the receipt of workers compensation benefits shall not prevent the interruption of continuous service for purposes of receipt of fringe benefits.

Section 57. Non-Discrimination. The Parties agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status.

Section 58. Interpretation. This Agreement shall be governed by the laws of the State of Michigan, both as to interpretation and performance. This Agreement was drafted at the joint direction of the Parties.

Section 59. Gender. The masculine pronoun, wherever used in this Agreement shall include the feminine pronoun, singular, and plural, unless the context clearly otherwise requires.

Section 60. Employee Assistance Program. The Employer recognizes the benefits derived from an Employee Assistance Program and will, as long as possible, continue to provide the existing program to all of its employees.

Section 61. Asbestos. The Code of Federal Regulations, Part 29 (OSHA) and (1910.93a(j) (1) MIOSHA require the Employer to provide or make available, to each employee who could have been exposed to airborne concentrations of asbestos fibers an annual medical examination. The Employer intends to comply with this requirement and will afford to L&P Employees hired before July, 1986, an annual examination in compliance with the regulations.

Section 62. Jury Duty. Employees shall be granted a leave of absence with pay when they are required to report for jury duty. Employees shall be paid the difference between any jury duty compensation they receive and their regular wages for time spent in jury service. Seniority will continue to accrue to the employee while on jury duty. Employees will be paid for the full day after endorsing the jury check to the employer, less mileage allowance. Employees responding to a

subpoena arising directly from their employment with Light and Power shall be entitled to the same benefits as though they were on jury duty.

Section 63. Successor Clause. This Agreement shall be binding upon the parties hereto and their successors and assigns. The Employer promises to adopt any resolutions or amendments to its Bylaws or Articles of Incorporation necessary and sufficient to give legal and binding effect to the provisions of this paragraph.

In consideration of the Employer's execution of this Agreement, the Union agrees that the Employer shall not be a guarantor and, provided that the Employer has fulfilled its obligations hereunder, promises not to hold the Employer liable for any breach by a successor, assignee, purchaser, acquirer or other transferee of the obligations assumed by it or required to be assumed by it hereunder, but to look exclusively to such successor, assignee, purchaser, acquirer or other transferee for compliance with the terms of the Agreement.

Section 64. Commercial Drivers License (CDL). The employer shall reimburse one hundred (100%) of the cost of a physical examination and licensing required to secure and maintain a CDL endorsement as required by the Employer.

TERMINATION

Section 65. Duration and Term. This Agreement shall remain in full force and effect from 12:01 p.m., July 1, 2005 to and including June 30, 2008, at 12:00 a.m. and shall continue in full force and effect from year to year thereafter, unless at least ninety (90) days before any July 1 date annually, either party notifies the other in writing of its desire to terminate, amend, or supplement the

Agreement, at which time said party shall submit its proposals, and bargaining shall commence as soon thereafter as practicable.

Section 66. Drug and Alcohol Testing Program. The Board and Union have negotiated a Drug and Alcohol Testing Program the conditions of which shall be binding upon both Management and the employees.

Section 67. Deferred Compensation. An employee may elect, at his/her option, to participate in any deferred compensation retirement programs authorized by the Board. The Board will pay incidental, out-of-pocket administrative cost and reserves the right to set administrative restrictions for enrollment and participation. If an employee contributes one and one half percent (1.5%) of gross pay to the program, the Board will contribute six percent (6.0%) of gross pay to the program. If an employee's contribution is less than one and one half percent (1.5%), the Board will not make a contribution to this program. The Board's contribution is limited as indicated above and calculated on the employee's gross pay (including longevity, overtime, regular hours, sick and/or vacation hours). Cash-outs (upon separation, retirement, or annually) of sick, short-term leave, vacation or separation pay are excluded from the Board's deferred compensation program. Employer/employee contributions will be made each pay period.

This Agreement was negotiated by the following listed representatives:

LOCAL 295

William Cornell
Douglas Izard

LIGHT AND POWER

Richard Smith
Paula Sagala

Terri Poniatoski
Corey Schichtel
James Steele
Jeffrey Bakker

William Twietmeyer
Joseph Kaltenback
Rodney Solak
Mark Rollenhagen

IN WITNESS WHEREOF, the parties hereto have, by their representatives duly authorized in the premises, executed this Agreement.

The City of Traverse City
Light and Power Board

The Utility Workers of America
ALF-CIO and it's LOCAL NO. 295

BY _____
Linda Johnson, Board Chairperson

BY _____
Jeffrey D. Bakker, National Representative
Region 4

BY _____
Corey Schichtel, President Local 295

APPROVED AS TO SUBSTANCE:

BY _____
Richard Smith, Executive Director

APPENDIX A

WAGE AND COMPENSATION PLAN

Section 1. Pay Ranges, Classifications and Steps. There is hereby established the following schedule of pay ranges for the various classes of positions in the service of the Board. Each range consists of six (6) steps to be designated Steps A, B, C, D, E, and F. The minimum rate of

compensation for each class of positions shall be Step A of the range to which it has been assigned, and the maximum rate for each shall be Step F of the range to which it has been assigned. All Classifications have six (6) steps. The class titles herein used are those prescribed by the Executive Director.

<u>RANGE NUMBER</u>	<u>CLASSIFICATION</u>
Range 00	Tree Trimmer Maintenance Worker I
Range 0	Tree Trimmer Crew Leader
Range 1	Maintenance Worker II Meter Reader
Range 2	Stores Clerk
Range 3	Metering Assistant Line Apprentice Field Assistant
Range 4	Head Storekeeper/Dispatcher
Range 5	Metering Technician Lineworker "B"
Range 6	Hydro Maintenance Person Power Production Technician
Range 7	Maintenance Mechanic "A" Metering and Technical Services Lead
Range 8	Electric Serviceworker Sr. Maintenance Mechanic Electric System Operator Instrumentation & Control Technician
Range 9	Lineworker "A"
Range 10	Lead Lineworker

Section 2. Steps In The Salary Ranges. Upon the original appointment of an employee hereafter employed by the Board, he or she shall receive the minimum rate of pay prescribed by this resolution of the class of positions to which he or she is appointed unless the Executive Director shall determine that the best interests of the Board require that the appointment be made and compensation be fixed at one of the rates above the minimum but within the salary range designated. Increase in the compensation of employees heretofore and hereafter employed to the several steps provided in this resolution within the appropriate range shall be granted after employment for the following period of time in each respective step except that no increase shall be granted an employee until satisfactorily completing his or her probationary period and he or she has been certified for regular employment:

Step A	(Minimum)	Six (6) Months
Step B		Six (6) Months
Step C		Six (6) Months
Step D		One (1) Year
Step E		One (1) Year
Step F	(Maximum)	

Section 3.

A. Promotion From One Range To Another. When an employee is promoted to a higher position in the same department, or whose position is reclassified to a higher range, he or she shall be placed in a step in the new range which affords him or her a higher rate of pay and his or her anniversary date shall remain the same; except that if he or she is at the maximum step or if the minimum step of the new range provides him or her with an increase of more than one step, his or her anniversary date shall be changed to the date of such promotion or reclassification.

B. Appointment From One Range To Another. When an employee is laterally or down-bidding to a position, that employee shall be placed in step A in the new position, and his or her anniversary date shall remain the same. In lieu of placement in step A, the Executive Director of Light and Power must authorize the step and hourly rate.

Section 4. Wage Scale.

A. The following wage scale shall be effective the first payday on or after July 1, 2005;
 Tiered wage scales (T1, T2, T3, T4) shall be applicable to all employees hired during the effective dates of this collective bargaining agreement.

HOURLY WAGE

<u>RANGE</u>	<u>STEP A</u>	<u>STEP B</u>	<u>STEP C</u>	<u>STEP D</u>	<u>STEP E</u>	<u>STEP F</u>
00	11.10	11.36	11.58	11.70	12.02	12.11
0	14.33	14.62	14.90	15.07	15.47	15.59

1	16.64	16.98	17.30	17.46	17.92	18.05
T 1	12.28	13.06	13.84	14.63	15.41	16.20
2	17.53	17.80	18.06	18.54	18.82	19.15
T 2	13.01	13.83	14.67	15.51	16.33	17.15
3	17.70	18.06	18.47	18.67	19.18	19.52
T 3	13.16	14.02	14.89	15.77	16.63	17.52
4	19.24	19.58	19.96	20.55	21.01	21.32
T 4	14.45	15.40	16.34	17.25	18.20	19.13
5	20.19	20.70	21.20	21.65	22.26	22.56
6	20.50	20.99	21.45	22.01	22.62	23.02
7	21.15	21.59	22.06	22.68	23.38	23.81
8	21.36	21.84	22.36	23.11	23.89	24.34
9	23.94	24.37	24.84	25.46	26.15	26.58
10	24.69	25.17	25.68	26.45	27.21	27.67

B. The following wage scale shall be effective the first payday on or after July 1, 2006;

Tiered wage scales (T1, T2, T3, T4) shall be applicable to all employees hired during the effective dates of this collective bargaining agreement.

HOURLY WAGE

<u>RANGE</u>	<u>STEP A</u>	<u>STEP B</u>	<u>STEP C</u>	<u>STEP D</u>	<u>STEP E</u>	<u>STEP F</u>
00	11.43	11.70	11.93	12.05	12.38	12.47
0	14.76	15.06	15.35	15.52	15.93	16.06

1	17.14	17.49	17.82	17.98	18.46	18.59
T 1	12.65	13.45	14.26	15.07	15.87	16.69
2	18.06	18.33	18.60	19.10	19.38	19.72
T 2	13.40	14.24	15.11	15.98	16.82	17.66
3	18.23	18.60	19.02	19.23	19.76	20.11
T 3	13.55	14.44	15.34	16.24	17.13	18.05
4	19.82	20.17	20.56	21.17	21.64	21.96
T 4	14.88	15.86	16.83	17.77	18.75	19.70
5	20.80	21.32	21.84	22.30	22.93	23.24
6	21.12	21.62	22.09	22.67	23.30	23.71
7	21.78	22.24	22.72	23.36	24.08	24.52
8	22.00	22.50	23.03	23.80	24.61	25.07
9	24.66	25.10	25.59	26.22	26.93	27.38
10	25.43	25.93	26.45	27.24	28.03	28.50

C. The following wage scale shall be effective the first payday on or after July 1, 2007;

Tiered wage scales (T1, T2, T3, T4) shall be applicable to all employees hired during the effective dates of this collective bargaining agreement.

HOURLY WAGE

<u>RANGE</u>	<u>STEP A</u>	<u>STEP B</u>	<u>STEP C</u>	<u>STEP D</u>	<u>STEP E</u>	<u>STEP F</u>
00	11.70	11.98	12.22	12.34	12.68	12.77
0	15.11	15.42	15.72	15.89	16.31	16.45

1	17.55	17.91	18.25	18.41	18.90	19.04
T 1	12.95	13.77	14.60	15.43	16.25	17.09
2	18.49	18.77	19.05	19.56	19.85	20.19
T 2	13.72	14.58	15.47	16.36	17.22	18.08
3	18.67	19.05	19.48	19.69	20.23	20.59
T 3	13.88	14.79	15.71	16.63	17.54	18.48
4	20.30	20.65	21.05	21.68	22.16	22.49
T 4	15.24	16.24	17.23	18.20	19.20	20.17
5	21.30	21.83	22.36	22.84	23.48	23.80
6	21.63	22.14	22.62	23.21	23.86	24.28
7	22.30	22.77	23.27	23.92	24.66	25.11
8	22.53	23.04	23.58	24.37	25.20	25.67
9	25.25	25.70	26.20	26.85	27.58	28.04
10	26.04	26.55	27.08	27.89	28.70	29.18

Section 5. Cost of Living Allowance. No Cost of Living Allowance will be paid during the term of this Agreement. The following language existing in the prior Agreement between the parties will remain as dormant language in this Agreement, subject to negotiation after the term of this Agreement, in accordance with Section 64.

A. In addition to the respective wage rates set forth in this Agreement, all employees covered by this Agreement shall receive a Cost of Living Allowance, if any, determined in accordance with the provisions of this section. Adjustments (up and down) in the Cost of Living

Allowance will be made at the times stated below, and will be based upon changes in the official Consumer Price Index for Urban Wage Earners and Clerical Workers (including single workers), published by the Bureau of Labor Statistics, U.S. Department of Labor (1967=100), and hereafter referred to as the Index.

- B. Effective July 1, 1987, the Cost of Living Allowance will be equal to one cent (\$.01) per hour for each full .4 point by which the Index for April 1987 exceeds the Index for January 1987, if any, with a maximum allowance of twenty-five cents (\$.25) per hour for the second year of this Agreement and thirty cents (\$.30) for the third year of this Agreement.

<u>Effective Date of Adjustment</u>	<u>Based Upon</u>
Beginning July 1, 1987 and quarterly thereafter until June 30, 1988.	The point change between the Index for January 1987 and The Index for April 1987. Starting with January 1987 Index.
Beginning July 1, 1988 and quarterly thereafter to the expiration of the Agreement	The point change between the Index for January 1988 and the Index for April 1988. starting with the January 1988 Index

The Cost of Living Allowances shall be determined whereby each full .4 point change in the Index will be equal to a one cent (\$.01) adjustment either up or down as the Index moves, as set forth in the following table:

<u>Point Change in Index</u>	<u>Amount of Adjustment</u>
.0 - .3	\$.01 per hour
.4 - .7	.02
.8 - 1.1	.03
1.2 - 1.5	.04
1.6 - 1.9	.05
2.0 - 2.3	.06
2.4 - 2.7	.07

2.8 - 3.1	.08
3.2 - 3.5	.09
3.6 - 3.9	.10
4.0 - 4.3	.11
4.4 - 4.7	.12
4.8 - 5.1	.13
5.2 - 5.5	.14
5.6 - 5.9	.15
6.0 - 6.3	.16
6.4 - 6.7	.17
6.8 - 7.1	.18
7.2 - 7.5	.19
7.6 - 7.9	.20
8.0 - 8.3	.21
8.4 - 8.7	.22
8.8 - 9.1	.23
9.2 - 9.5	.24
9.6 - 9.9	.25
10.0 - 10.3	.26
10.4 - 10.7	.27
10.8 - 11.1	.28
11.2 - 11.5	.29
11.6 - 12.0	.30

C. If the BLS Consumer Price Index falls below the point for the first one cent (\$.01) per hour adjustment, the COLA adjustment to wages shall be negative in accordance with the above table.

D. The amount of any COLA in effect at the time shall be paid in addition to the bi-weekly pay checks for all hours paid, at a straight time rate, except for those hours paid by the Board's insurance carrier under Workers' Compensation. In addition, COLA will not be included in life insurance computations or any sick leave cash-out.

E. In the event the BLS does not issue the Index on or before the beginning of the pay period referred to in paragraph A, any adjustments required will be made at the beginning of the first pay period after receipt of the Index.

F. No adjustments, retroactive or otherwise, shall be made due to any revision which may later

be made in the published figures for the Index for any base month.

- G. The parties to this Agreement agree that the continuance of the COLA is depended upon the availability of the Index in its present form and calculated on the same basis as the Index for this Agreement unless otherwise agreed upon by the parties.

Section 6(A). Mandatory Meetings. Those shift employees scheduled to work their regular shift will be paid time and one-half the hours extending their eight hour shift.

Those shift employees who begin their shift early to attend the mandatory meetings will be paid time and one-half for the hours extending their eight hour shift.

Those shift employees on mid-night shift, or their days off, will be paid a call-back according to the Bargaining Unit Agreement.

Any employee with a valid reason, such as sick or pre-scheduled vacation will be excused, and a letter of instruction explaining the new equipment or policy change will be provided.

APPENDIX B

CALL OUT SCHEDULE FOR HYDRO MAINTENANCE

Relief is needed for _____

On (Date) _____. For (Hr. And Shift) _____

Date and time notice received from absent person _____

The following people were called: Can Work Can't be reached Refused

Maintenance Mechanic "A"	_____	_____	_____
Sr. Maint. Mechanic/I.C. Technician by Seniority	_____	_____	_____
Rage 6 by Seniority	_____	_____	_____

Operator's Signature _____

AT OPERATOR'S DISCRETION IN EMERGENCY SITUATIONS

APPENDIX B

CALL OUT SCHEDULE FOR CT

Relief is needed for _____

On (Date) _____ . For (Hr. And Shift) _____

Date and time notice received from absent person _____

The following people were called: Can Work Can't be reached Refused

Sr. Maintenance Mechanic _____

Maintenance Mechanic "A" _____

Range 6 by Seniority _____

Operator's Signature _____

AT OPERATOR'S DISCRETION IN EMERGENCY SITUATIONS

