

**AGREEMENT BETWEEN
THE
CITY OF HIBBING, MINNESOTA
AND
MINNESOTA ASSOCIATION OF PROFESSIONAL
EMPLOYEES**

January 1, 2017 - December 31, 2019

**AGREEMENT BETWEEN THE CITY OF HIBBING, MINNESOTA
ASSOCIATION OF PROFESSIONAL EMPLOYEES**

TABLE OF CONTENTS:

1.	GENERAL PROVISIONS	Page 1
2.	HOURS OF WORK	Page 6
3.	COMPENSATION	Page 9
4.	LEAVE TIME	Page 13
5.	INSURANCE	Page 17
6.	TRAVEL, CITY VEHICLES, CONTINUING EDUCATION, AND EXTENDED LEAVE	Page 22
7.	DISMISSALS, DEMOTIONS, AND TRANSFERS	Page 25
8.	GRIEVANCE PROCEDURE	Page 27
9.	SENIORITY	Page 29
10.	DURATION OF AGREEMENT	Page 32

APPENDIX

A.	SALARY AND CLASSIFICATION SCHEDULE	Page 34
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1. GENERAL PROVISIONS

GENERAL PROVISIONS

1.1 RECOGNITION

The employer recognizes the Minnesota Association of Professional Employees(MAPE) as the exclusive bargaining representative of all personnel working in the job titles listed in Appendix A of this agreement and as certified by the Bureau of Mediation Services and also defined as public employees in Minnesota Statutes, Section 179A.03 Subdivision 14.

In the event that any new job title is created after the effective date of this Agreement, and such position is filled by the City, the parties agree to meet and discuss whether or not such position should be represented by the MAPE prior to making a request to the Director of the Bureau of Mediation Services for a unit designation for such position.

1.2 SAVING CLAUSE

This Agreement is subject to the Laws of the United States and the State of Minnesota including but not limited to PERLA, Veteran's preference, and civil service. In the event any provision of this Agreement shall be held to be contrary to such laws by a court of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided, such provisions shall be voided. All other provisions shall continue in full force and effect. The voided provision shall be re-negotiated at the request of either party.

1.3 CIVIL SERVICE RIGHTS

Any civil service rights and protections enjoyed by employees will continue in effect and take precedence over the terms of this agreement.

1.4 MAINTENANCE OF STANDARDS

Any rights, protections and benefits previously approved by the City Administrator or City Council and enjoyed by employees will continue in effect unless they are in conflict with the terms of this Agreement.

1.5 MEET AND NEGOTIATE

The Employer and the Association agree to meet and negotiate on any matters that arise which are not covered by this Agreement.

1.6 PROBATIONARY PERIOD

All new and re-hired employees shall serve a probationary period of three months. Upon completion of this probationary period and with the recommendation of the employee's supervisor, the employee will become a regular employee of the City and shall receive credit for leave and other benefits accrued from their date of hire. All new MAPE members that are hired outside the MAPE bargaining unit by the City shall be placed, for pay purposes at any one of the following three steps, depending upon their previous experience and training after the 90 calendar day probationary period:

90 calendar day probationary: State at 85% of the monthly salary amount for the position

First year -- 90% of monthly salary amount for the position (from the original hire date)

Second year -- 95% of monthly salary amount for the position (from the original hire date)

Third year -- 100% of monthly salary amount for the position (from the original hire date)

Previous experience will be determined by a recommendation by the City Administrator, as approved and recommended to the City Council.

1.61 All new and rehired employees shall not be eligible to use sick leave or vacation time accumulated until completion of three months of service with the City.

1.7 DUES CHECKOFF

The Employer shall deduct from paychecks once each month an amount sufficient to provide the payment of regular dues established by the MAPE from the wages of all members of the MAPE authorizing such deduction, in writing, and remit such deductions to the appropriate officer designated by the MAPE within ten (10) days after the paychecks from which such deductions are made are distributed to the employees.

1.71 FAIR SHARE FEE

In accordance with Minn. Stat. Sec. 179A.06, subd. 3, any employee included in the appropriate Unit who is not a member of the exclusive representative may be required by the exclusive representative to contribute a Fair Share for services rendered as exclusive representative. The City shall deduct the fee from the earnings of the employee and transmit the fee to the exclusive representative within thirty (30) days after the written notice was provided or in the event that a challenge is filed, the deductions for Fair Share Fee shall be held in escrow by the City pending a decision by the Director or Public

Employees Relations Board or court of competent jurisdiction. Any Fair Share Fee challenge shall not be the subject of the grievance procedure.

1.8 DEFINITIONS

Unit A: Finance Director, Fire Chief, Chief of Police, Building Official, City Engineer/Director of Public Works, Internal Auditor and Library Director.

Unit B: Waste Treatment Plant Supervisor, Cemetery Sexton/San & Storm Foreman, Sanitation/S & A Foreman and City Services Director.

Association means the Minnesota Association of Professional Employees, hereinafter referred to as MAPE.

City means the City of Hibbing, Minnesota.

Employer means the City of Hibbing, Minnesota.

Employee means a member of the formally recognized bargaining unit represented by the Association.

Immediate Family is defined as including spouse, children, father, mother, brother, sister, grandparents, grandparents of spouse, father-in-law, mother-in-law, son-in-law, daughter-in-law, sister-in-law, and brother-in-law.

Grievance means a dispute or disagreement as to the interpretation or application of the terms of this Agreement.

MAPE stands for Minnesota Association of Professional Employees.

Appointing Authority means the City Council, City Administrator, Department Head, or designee as prescribed by the City code.

Continuously Employed means a period of employment which has not been interrupted by more than thirty (30) calendar days at any one time, except by an authorized leave of absence, sick leave, vacation, or military leave of absence, absence due to illness that was compensable under Worker's Compensation or, for a period not to exceed two years while on Long Term Disability.

Hourly Rate means the rate determined by adding the employee's monthly pay to their longevity award, if any, multiplying such number by 12 and dividing such number by 2080, such rate to be calculated to the nearly \$.01. This is not necessarily the "actual

rate” as used in Federal Fair Labor Standards Act, nor do the parties intend to indicate that employees are paid an hourly wage.

Monthly pay means the monthly salary provided for in Appendix A of this Agreement.

Rehire any person previously employed with The City of Hibbing that resigned/terminated/retired/severed employment with the City of Hibbing.

Job Evaluation Employees shall be afforded to request an appeal of their job position and subsequent pay by submitting a request for re-evaluation between January 1 and February 1 of each year. Upon receipt of written request, the City shall notify the position review committee, which shall consist of three (3) management personnel and three (3) Union personnel, who shall meet within 30 days to review all requests submitted. The committee shall have the authority to call witnesses to testify about the position(s) under consideration, review any and all pertinent documentation, and ultimately determine the validity of the request(s). All decisions shall be made by consensus, and will be forwarded to the MAPE exclusive representative and the City Administrator or their designee for final negotiations of appropriate compensation adjustment. All evaluations shall be effective March 15th, and if any change results in the rating and pay grade, they shall be effective March 15th. Both the exclusive representative and the City Council shall receive copies of the original evaluation requests, as well as copies of the final results. Both parties shall seek approval of any final recommendations through their appropriate channels, and a memo of understanding shall be drafted identifying any and all changes. Pay changes shall become effective only after ratification by each party, but shall be retroactive to March 15th in all cases. For a position which necessitates an evaluation after the February 1st cut-off date, approval of the Association and the City Administrator will be required.

1.9 MANAGEMENT PLANNING

Upon request of either party, MAPE will meet and confer with the employer about management plans or projects.

2. HOURS OF WORK

2. HOURS OF WORK

The following positions are governed by 2.1: Finance Director, Fire Chief, Police Chief Building Official, City Engineer/Public Works Director and Library Director. Group A – Exempt positions.

2.1 The City and the Association recognize that because of the nature of their duties it is inappropriate for the employees covered by this Agreement to be governed by standard work schedules (core business hours from 9:00 a.m. - 3:00 p.m.), and that it is essential that such employees work those hours necessary to carry out the duties and responsibilities of their respective positions. Therefore, it is agreed that the employees covered by this Agreement shall work whatever hours are necessary to perform their duties and responsibilities and shall be permitted to take time off during the normal work day of their respective departments or divisions. It is further agreed that such employees shall be permitted to take a reasonable rest period during each one-half (1/2) day worked and a reasonable lunch break during each day worked.

2.2 It is the intent of both undersigned parties to secure exemption from the provisions of 29 USC Section 213(a) (Fair Labor Standard Act) for all employee's subject to this Agreement, and for those non-members and City employees whose salaries, benefits, and terms and conditions of employment are set by the City Council referring to this Agreement.

2.3 Solely for the purpose of accomplishing that objective, this Agreement is to be construed to provide that these employees are paid on a salary basis and will receive the monthly pay provided for in Appendix A, not subject to reductions because of variations in the quantity or quality for work performed. The salary will not be reduced because of lack of work available through no fault of the employee.

2.4 The parties also agree that the provisions of the 29 Code of Federal Regulations, Section 541.118, will be followed to assure the validity of the exemptions.

2.5 The following positions are governed by 2.6, 2.7, 2.8 and 2.9 Waste Treatment Plant Supervisor, Sanitation/Streets and Alleys Foreman, Cemetery Sexton/ Sanitary & Storm Foreman and City Services Director. Group B – Non-exempt positions

Comp time will be taken as allowed by the department head. It is understood that Unit A positions may require attendance at evening meetings and occasionally weekend meeting. Compensatory time/overtime shall be allowed for Unit B positions on a 1:1.5 basis. It is understood and agreed that employees may accumulate up to but not exceeding eighty (80) hours of comp time. After 80-hours has been accumulated, all additional overtime will be paid at a rate of 1:1.5.

2.6 The normal hours of work for supervisory employees shall be eight (8) hours per day and forty (40) hours per week with overtime paid at time and one-half (1-1/2) for all hours worked in excess of eight (8) hours per day or forty (40) hours per week.

2.7 Supervisors wanting overtime shall be compensated one and one-half (1-1/2) times the normal rate of pay. Overtime hours may be compensated by compensatory time off at the rate of time and one-half (1-1/2), with the consent of both the employee and the employer. A maximum of 80 hours of compensatory time may be accumulated at any one time. Upon request of the Supervisor received not later than November 1, the Supervisor's accumulated compensatory time will be paid off in a separate check in December. At no time can the maximum of 80 hours be exceeded. Any compensatory time provision that is not in conformity with either state or federal law shall be modified to conform with that law.

2.8 The City Engineer/Director of Public Works shall, from a list of volunteers from both this supervisory unit and the general employee's unit, select a total of six (6) employees who, in his/her sole opinion, are qualified for the callout duties so required by the City. These six employees shall be selected to work on a quarterly basis, one week at a time on a rotating schedule unless otherwise agreed to between the City Engineer/Director of Public Works and the employees so appointed. Selecting employees for this callout duty, absolute preference shall be given by the City Engineer/Director of Public Works to the regular full-time Supervisors.

Once an employee is appointing to the quarterly list and schedule, he/she shall not be permitted to withdraw, resign, or refuse to perform said callout duty during the three-month period constituting the quarter without good and valid reason. In the event a qualified list cannot be established by the above method by the City Engineer/Director of Public Works, the callout duties shall be performed by the foreman of the Streets and Alleys and Superintendent of Public Works.

For each week of scheduled callout duty, the Supervisors on call shall receive the sum of \$200 on his/her next regularly scheduled paycheck. This \$200 per week payment shall apply also in the event that the provisions of the paragraph immediately above shall be placed into effect. Any other employee of the City so on call shall receive the sum of \$200 on his/her regularly scheduled paycheck.

3. COMPENSATION

3. COMPENSATION

3.1 RATES

3.1.1 Existing employees shall be assigned to pay ranges according to their job title in accordance with this article and the schedule attached hereto as Appendix A, and shall be compensated in accordance with that schedule attached.

3.1.2 Inequities in compensation shall be subject to the Job Evaluation Procedure as defined in Article 1.8.

3.1.3 The parties have agreed that the salary adjustment to be made effective January 1, 2017 shall be 2.25%, 2018 shall be 2% and 2019 shall be 2.25% .

3.2 JURY DUTY

3.2.1 An employee who is required to serve on a jury by the municipal, state or federal courts and does serve on such jury thereby being absent from work, shall be paid his or her regular salary by the City upon the completion of jury duty. The employee must present his or her jury service checks to the City.

3.2.2. In order to be eligible for jury duty pay, the employee must notify his or her supervisor of the dates of jury service as soon as notification is received by the employee. Failure to immediately notify the supervisor will result in the employee being paid only for time actually worked.

3.3 SEVERANCE/RETIREMENT

Any employee who is terminated from his or her employment with the City or whose position is eliminated for any reason shall be entitled to a severance pay equal to two months at current salary, with longevity award if any. This article does not apply to an employee who is discharged for cause. The benefits provided by this article shall not be given to any employee who is being involuntarily retired, is on probation, or holds a provisional substitute appointment.

Upon retirement, employees shall be paid for all accumulated compensatory time, vacation, and sick leave; sick leave to be paid according to the following paragraphs within this section.

If the employee is eligible to draw retirement benefits from PERA, be paid a severance payment which shall be paid into the employee's post Retirement Health Care account, in an amount as follows: after completing fifteen (15) years of service for the City, an amount equal to twenty-five percent (25%) of the current value of his/her accrued sick leave at the time of retirement; after completing 20 years of service with the City of Hibbing an amount equal to 40% of the current value of his/her accumulated sick leave at the time of retirement or after completing 25 years of service with the City an amount equal to 50% of the current value of his/her accumulated sick leave at the time of retirement.

3.3.1 POST RETIREMENT HEALTH CARE

Effective in February of each year, active employees hired after January 1,2007 will receive contributions from the City of \$125 each year, will be contributed to their post-retirement health care account.

3.4 RESIGNATIONS ONLY

Any employee who wishes to resign in good standing shall give the appointing authority written notice of 30 days unless the appointing authority consents to his/her leaving on shorter notice. Employee shall receive the value of all accumulated unused compensatory time and vacation.

Nothing in this agreement shall prevent, limit, or otherwise interfere with the right of any of the employees belonging to the MAPE to resign at any time from their position with the City subject only to the provisions of this agreement.

3.5 LONGEVITY

Longevity Schedule

Years of Service	Longevity %
5 years	1%
8 years	2%
10 years	4%
15 years	6%
20 years	8%

The longevity change is for all active MAPE employees as of 1/1/2014. This does not replace the current longevity schedule in the contract. All levels will be allowed one readjustment during the duration of the contract. (This represents a one-time 1% longevity increase for everyone under 20 years of service. Employees over 20 years of service will have a one-time increase of \$0.30 added to their base.)

1-5 years - 0%-1%

5-8 years - 1%-2%

8-10 years - 2%-3%

10-15 years - 4%-5%

15-20 years - 6%-7%

20 years and over get the 8% plus \$0.30 added to their base

3.6 DEFERRED COMPENSATION PLANS

The employer shall allow an employee to participate in any deferred compensation plan of the employee's choice which meets the following criteria:

- a. It has been approved by the deferred compensation commission.
- b. It qualifies under the laws and regulations of the United States, State of Minnesota, Internal Revenue Service.
- c. The employer can accomplish any record keeping, data processing, accounting, or administration of the plan by making a reasonable effort.

The employer shall not do any act to change, alter, amend, or terminate any employee's deferred compensation plan without first giving at least sixty (60) days written notice of its intention, and completing the processing of any grievance brought concerning the proposed action, unless law, ruling or order of the Internal Revenue Service requires it.

3.7 PAY DAYS

Pay days shall be bi-weekly, every other Friday. A due bill showing deductions made from employee's pay shall be furnished to each employee.

4. LEAVE TIME

4. LEAVE TIME

4.1.1 HOLIDAY PROVISIONS

The following holidays shall be observed:

New Year's Day	Presidents' Day	Memorial Day
Good Friday	Fourth of July	Columbus Day
Labor Day	Veterans Day	Thanksgiving Day
Christmas Eve	Martin Luther King Day	Personal Holiday 2
Christmas Day		

4.12 Unit B employees required to work one of the specifically designated partial or full paid holidays will be paid additional compensation at a rate of one and one half times their normal hourly rate for all hours worked in addition to their regular holiday pay.

4.13 When a holiday falls on a Saturday, it shall be observed on the preceding Friday, and when a holiday falls on a Sunday, it shall be observed on the following Monday.

4.2 VACATION

4.21 Vacation may be accumulated up to a maximum amount of vacation that an employee is entitled to pursuant to the following schedule and must be used within two (2) years:

Years of Service	Unit B	Unit A
1	40	160
2	80	160
6	120	200
10	160	200
15	200	240
20	240	280

(Example: vacation earned from January 1, 1995 to December 31, 1995 must be used by December 31, 1997 (2-year period))

4.3 SICK LEAVE

4.31 Sick leave shall be earned at the rate of 14 hours per month with a maximum accumulation of 1,440 hours. No sick leave shall be earned by the employee when that employee is on sick leave. Each employee shall be informed annually of their total accumulated sick leave.

4.32 Sick leave is hereby defined to mean the absence of an employee because of illness or for the attendance of such employee upon his/her immediate family requiring the care or attendance of such employee.

4.33 All employees covered under this agreement shall be entitled to an annual sick leave bonus of eighty (80) hours. Employees who don't use sick leave during the year shall be entitled to the full bonus. Each hour of sick leave used during the year will reduce the sick leave bonus by one (1) hour. The balance of the remainder of the employee's sick leave accumulation remaining after the sick leave bonus and sick leave hours are utilized shall be credited to the employee's accumulated sick leave account. The sick leave bonus shall be pro-rated upon the employee's retirement.

4.4 FUNERAL LEAVE

4.41 In the event of a death in an employee's immediate family, up to three days of absence with pay shall be allowed. Funeral leave shall not be deducted from any other leave granted employee by this agreement.

4.42 Two (2) additional days may be allowed when travel is necessary, subject to the approval of the City Administrator.

4.5 LEAVES OF ABSENCE

4.51 Any employee who desires to secure leave from his/her regular duties for more than 30 days, may, on written request approved by the City Council, be granted special leave of absence without pay for a period not exceeding one (1) year. Any requested leave for less than 30 days must be approved by City Administrator.

4.52 Any employee asking for special leave without pay shall submit his or her request in writing, stating the reasons why in his or her opinion the request should be granted, the date when he or she desires the leave to begin and the probable date of his or her return.

4.53 The City Council, City Administrator or designee shall respond within five (5) calendar days of the request for each special leave of absence without pay in writing, stating if the leave is to be approved, whether the employee granted such leave shall be entitled to his or her former position upon the employees return from such leave or

whether his or her name shall be placed on the re-employment list for the class for which the employee is classified.

4.54 No leaves without pay over thirty (30) calendar days will be granted until the employee has used all accumulated paid leave.

4.55 No benefits or seniority shall be lost by the employee during leaves of thirty (30) calendar days or less. No benefits or seniority shall be accrued after the first thirty (30) calendar days of any leave of absence.

4.56 Leave of absence without pay for a period of less than thirty (30) calendar days may be granted by the City Administrator. Leaves of absence for over three (3) consecutive days should not be approved by any department head except for any one of the following reasons:

- a. When it is shown that the City will benefit from such leave.
- b. Personal or family emergency.
- c. Service upon a Board or a Commission where such leave is required for attendance at such meeting, and/or will benefit the City.

4.57 City employees who are elected officers or appointed representatives of the exclusive representative shall be afforded reasonable time off to conduct the duties of the exclusive representative and upon request will be provided with leaves of absence, as required by law.

4.58 An employee choosing to supplement workers' compensation wage replacement benefits with accumulated sick leave shall be paid the difference between the workers' compensation benefit received by the employee and his/her regular net pay, the same to be deducted from accumulated sick leave.

5. INSURANCE

5. INSURANCE

5.1 INSURANCE PROGRAMS

All employees shall be covered under a health and welfare program, the funds for which shall be derived from a tax levy made by the City of Hibbing, Minnesota. Coverage under this program shall be as follows:

- a. **Group Life Insurance.** All active employees up to age 71 shall be covered by a \$10,000.00 life insurance policy, full premium to be paid by the City. Active employees after age 71 or employees qualifying for retirement, upon retirement, shall be covered by a \$2,000.00 paid-up life insurance policy, premium paid for by the City.
- b. **Comprehensive Hospitalization, Surgical Medical Plan:** Effective January 1, 2014 the City will provide a group hospital/medical plan with aggregate level of benefits of Blue Cross/Blue Shield VEBA 100, or its legal equivalent, with deductible of \$1500/\$3000 (subject to any inflationary adjustment recommended by the carrier on an annual basis) and three-tiered prescription co-pay, with co-pays of \$10/\$25/\$40. The City cannot reduce the benefit level under the City's group health plan without meeting and negotiating with the Union pursuant to Minn. Stat. §471.661, subd. 5. All plan provisions are governed by the Summary Plan Description (SPD) and not by the labor contract. (SPD will be attached to contract when available.)

The City may secure a new hospital/medical plan with lesser benefits than stated above to be offered as an alternative plan.

The City shall be required to pay eighty-five percent (85%) of the monthly hospital/medical insurance premium for the single plan, and eighty-five percent (85%) of the monthly hospital/medical insurance premium for the family plan offered by the City and their insurance carriers. Employees shall pay the remainder of the above-mentioned monthly premiums. Effective January 1, 2016 the City shall be required to pay eighty percent (80%) of the monthly hospital/medical insurance premium for the single plan, and eighty (80%) of the monthly hospital/medical insurance premium for the family plan offered by the City and their insurance carriers.

1200/2400 Plan effective January 1, 2015.

In addition, effective January 1st of each year the City shall contribute to the VEBA account (or like account if the City adopts a legally equivalent plan) the following amounts:

Percentage of Deductible Contributed to Account by City

<u>Year</u>	<u>Single Coverage</u>	<u>Family Coverage</u>
2017	85%	85%
2018	85%	85%
2019	85%	85%

5.2 DENTAL INSURANCE. The City shall make available a group dental insurance plan and pay 85% of the monthly premium for the single or family coverage plans.

5.3 INSURANCE COMMITTEE. The City and the Union will establish a balanced committee which will meet regularly to review alternate insurance plans during the term of this Agreement. The committee will make recommendations to the employees on an alternate insurance plan which will provide equitable coverage while addressing cost containment.

5.4 RETIREE HEALTH INSURANCE.

a. All employees who have reached a retirement age acceptable to the Public Employees Retirement Association and who, upon their retirement, have at least ten years of service and are otherwise qualified to receive benefits provided by the Public Employees Retirement Act shall be eligible for the following retirement benefits:

- (1) Any employee who was hired prior to June 1, 1989, and who meets the eligibility requirements of this section shall receive the same benefit coverages mentioned, as the active employees at the time of their retirement.
- (2) Any employee hired after June 1, 1989, who retires after June 1, 1991, and who meets the necessary eligibility requirements shall receive hospital medical insurance premium coverage for single coverage only. The employee shall have the right to purchase, at the employee's expense, dependent coverage if it is available.

b. Retiring on or after January 1, 2007:

- (1) For all active employees who retire on or after January 1, 2007, who were hired after June 1, 1989 and who at the time of retirement have fifteen (15)

years of service with the City and who at the time of retirement are qualified to receive benefits provided by the Public Employees Retirement Act, the City shall pay the following:

- (a) eighty-five percent (85%) of the monthly hospital/ medical insurance premium for single coverage until the retired employee becomes eligible for Medicare, with the retiree paying the remainder of the monthly premium, for the hospital/medical insurance plan offered by the City to active employees. Upon the retired employee becoming eligible for Medicare, the retiree shall be enrolled in the Medicare Supplement plan (Medica Prime Solutions or equivalent) with premium participation split based upon the same premium split paid when the employee retired from City service; and
 - (b) the same contribution to the retiree's VEBA account (or like account if the City adopts a legally equivalent plan) as the City makes to the VEBA account of active employees (i.e. contribution may change from year to year during retirement to reflect any change in contribution to the accounts of active employees, but for employees who retire on or before December 31, 2009, or such later date as the 2010 collective bargaining agreement is ratified, the contribution in any given year shall not be less than 50% of the deductible amount) with single coverage, for so long as the retiree continues to participate in the City hospital/medical plan, except that upon the retired employee becoming eligible for Medicare the City contribution shall cease.
- (2) For all active employees who retire on or after January 1, 2007, who were hired prior to June 1, 1989 and who have at least fifteen (15) years of service with the City and who at the time of retirement are qualified to receive benefits provided by the Public Employees Retirement Act, the City shall pay the following:
- (a) eighty-five percent (85%) of the monthly hospital/medical insurance premium for the coverage selected by the employee (single or family) until the retired employee becomes eligible for Medicare, with the retiree paying the remainder of the monthly premium, for the hospital/medical insurance plan offered by the City to active employees. Upon the retired employee becoming eligible for Medicare, the retiree shall be enrolled in the Medicare Supplement plan (Medica Prime Solutions or equivalent) with premium participation split based upon the same premium split paid when the employee retired from City service;

- (b) the same contribution to the retiree's VEBA account (or like account if the City adopts a legally equivalent plan) as the City makes to the VEBA account of active employees (i.e. contribution may change from year to year during retirement to reflect any change in contribution to the accounts of active employees, but for employees who retire on or before December 31, 2009, or such later date as the 2010 collective bargaining agreement is ratified, the contribution in any given year shall not be less than 50% of the deductible amount) with the coverage chosen by the retiree (single or family), for so long as the retiree continues to participate in the City hospital/medical plan, except that upon the retired employee becoming eligible for Medicare the City contribution shall cease.

The City shall also pay 85% of the monthly single premium for a policy of group dental insurance provided by the City (and 85% of the monthly premium for family dental coverage for employees hired prior to June 1, 1989) with the retiree paying the remaining 15% of the monthly premium.

The benefits of the hospital/medical and dental plan shall be the same for the retiree as they are for the active employees, or equivalent to the active employee's policies.

For 2007, VEBA account contributions will be made by the City the first business day of January. For 2008 and the thereafter, VEBA account contributions will be made by the City at the beginning of each quarter.

5.5 Any employee hired on or after January 1, 2007 shall not be eligible for either an Employer contribution to the premium for hospital/medical or dental insurance, or an Employer contribution to an employee account, i.e. VEBA account or other like account for an equivalent plan, following retirement from City service.

5.6 CONTINUING COVERAGES

When an employee is out of work due to illness or Worker's Compensation injury, or pursuant to a special leave of absence as approved by the City Council or as required by law, the City shall continue paying his/her health and welfare, dental and life insurance for a period not to exceed six (6) months after the employee has exhausted his/her sick leave, provided the employee has five (5) years or more of service with the City.

**6. TRAVEL, CITY VEHICLES,
CONTINUING EDUCATION
AND EXTENDED LEAVE**

6. TRAVEL, CITY VEHICLES, CONTINUING EDUCATION AND EXTENDED LEAVE

6.1 TRAVEL

6.11 Employees using personal vehicles to travel on City business shall be reimbursed on a per mile basis at the maximum rate permitted by the United States Internal Revenue Service.

6.12 Other reimbursable expenses shall include but are not limited to meals, lodging and parking as per City Policy.

6.2 CITY VEHICLES

6.21 City vehicles are assigned and are to be used for City business only.

6.22 When an employee is on call beyond normal working hours, he or she may be assigned a City vehicle which may be driven directly to and from the employee's workplace to his or her home and back.

6.3 CONTINUING EDUCATION

6.31 The City shall reimburse employees for the direct cost of any classes or certifications required by their employment and approved by the City Administrator.

6.32 By mutual agreement of the employee and the employer, an employee shall be reimbursed for classes and schooling which both parties agree would be of benefit to the employer. This reimbursement shall include tuition, books and other class materials, as well as other direct costs.

6.4 EXTENDED EDUCATIONAL LEAVE

6.41 By mutual agreement of the employee and the employer, an employee may be granted an extended leave of absence in order to undertake further education which both parties agree would be of benefit to the employer.

6.42 Extended leave shall be without pay, unless the employee has accumulated vacation which he/she desires to utilize for all or part of the leave.

6.43 During such unpaid leave, an employee shall continue to be eligible for all insurance benefits as defined in Article 5. Upon return from leave, the employee shall be entitled to all pre-leave accumulated paid leave and shall begin to accumulate paid leave at the same rate as before the leave. The employee shall return to his/her same rate as

before the leave. The employee shall return to his/her former position at the completion of such unpaid leave.

**7. DISMISSALS, DEMOTIONS
AND TRANSFERS**

7. DISMISSALS, DEMOTIONS AND TRANSFERS

7.1 Discharges, demotions or transfers to a lower classification shall be made only for just cause. Union Grievance Committee and the employees affected shall receive notice in writing of any such action. Such action shall be subject to the grievance procedure.

7.2 Employees terminated due to alcoholism or alcohol related problems and drug addiction or drug-related problems may be rehired by the City within one (1) year following termination and be reinstated to full seniority standing upon satisfactory proof of rehabilitation.

7.3 It is mutually understood and agreed that in establishing, implementing and administering disciplinary procedures, that the concept of "progressive discipline" shall prevail, although it is recognized that there are some offenses which may, in extreme instances, require more stringent discipline than normal progress.

7.4 The normal disciplinary progression shall be:

- W Written Reprimand
- TL Temporary Layoff without pay for three workdays
- TL Temporary Layoff without pay for five workdays
- D Discharge

7.5 The following are some specific offenses and the normal progressive steps that will be involved in the discipline and discharge procedure. It is not deemed to exclude Management right to discipline or discharge employees for any other just cause:

1. Insubordination, including refusal or failure to perform work assigned. (W) (TL-3) (TL-5) (D)
2. Possession, use of, or being under the influence of any alcoholic beverage or any type of dependency drugs during work periods or on City property at any time. (TL-3) or (D)
3. Absenteeism without leave or without satisfactory explanation. (W) (TL-3) (TL-5) (D)

Written reprimands by the City in connection with a violation shall be removed from the employee's record two (2) years from the date they were issued. Such removal shall not void any more current reprimands for the same offense or otherwise.

7.6 In the event that any employee is terminated due to conviction for a felony or any illegal act involving personal gain to himself or herself or malfeasance in office, then there shall be no obligation on the part of the City to pay any severance pay or unused personal leave pursuant to this agreement.

8. GRIEVANCE PROCEDURE

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8.1 A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this Agreement. Employee performance evaluations are subject to the grievance procedure.

8.2 The employer and the Association will attempt to adjust all grievances in the following manner. All grievances must be filed in writing within ten days of the employee or the Association becoming aware of its occurrence. At each step, the Employer must reply in writing within ten (10) days. Failure to reply will be considered a denial of the grievance and the employee may move on to the next step.

8.21 First - Employer Representative - an effort shall be made to adjust the grievance, within five working days between the employee and/or the Association, and the designated representative of the employer.

8.22 Second - Committee Hearing - if no settlement is reached at the first step, the Association shall, if it desires to proceed with the grievance, notify the Employer within five working days. The employer shall grant a hearing before a duly authorized committee thereof within five (5) working days.

8.23 Third - Arbitration - if no settlement is reached at the second step, the grievance shall be submitted to arbitration, within ten working days, and the decision of the arbitrator shall be final and binding on the parties. If the parties are unable to agree to the appointment of the arbitrator within five working days after the submission of the grievance to arbitration, either party may then request the Commissioner, Bureau of Mediation Services, State of Minnesota, to furnish a list of seven prospective arbitrators. From this list, each party shall, in turn, strike one name until one name remains, and the last remaining individual shall be designated as the arbitrator. The grieving party shall strike first. A hearing on the grievance shall be conducted promptly by the arbitrator, and a decision shall be rendered by him within thirty days of the date of the hearing. All expenses and costs of the arbitrator shall be shared and assessed equally to the parties.

8.24 All hearings and actions shall be accordance with the Minnesota Data Practices Act.

9. SENIORITY

9.1 Seniority shall be granted to all employees. The seniority date is to be considered the first day of employment as a regular, full-time employee of the City of Hibbing. Employees shall be placed on the seniority list as of the first day of employment upon successful completion of the probationary period and shall be paid the appropriate monthly salary for the position held and shall otherwise be covered by the provisions of this Agreement upon successful completion of the probationary period.

9.2 An employee shall be considered to be on probation for ninety calendar days, unless the probationary period is extended by mutual agreement of the Union and the Employer for not more than an additional thirty working days, and may be dismissed for any reason without recourse to any provisions of this contract. An employee shall not have any rights to any of the benefits thereunder during the period of the employee's probation, except that the employee shall accumulate sick leave and vacation time during the probationary period, but shall not be eligible to take it until the completion of the probationary period.

9.3 An employee shall lose seniority standing for the following reasons:

1. Voluntary resignation
2. Discharge for cause
3. Absence for more than three (3) days without notification to the supervisor unless the employee has a bona fide reason.
4. Medical leave of absence due to illness or injury for a period of more than one (1) year. The City Council may grant continuation of seniority if application is made for continuation during the one (1) year period.

9.4 In the event of layoff, employees shall be laid off according to seniority in the inverse order of hiring. Employees shall be given a thirty (30) working days notice of layoff.

Layoff and rehiring shall be determined by seniority only and pay scale or position of employee shall not be a factor.

In case of transfer from one classification of work to another, employees involved in the transfer shall not lose seniority standing. A seniority list shall be posted annually.

Recall from layoff shall be by telephone. If the employee cannot be reached, the City shall recall the employees to work by certified letter sent to the employee's last known address. The employee must return to work within twenty (20) calendar days of the date of the letter or forfeit all recall rights.

9.5 Notice of all vacancies and newly created positions shall be posted on the employees' bulletin board, and the employees shall be given seven (7) days' time in which to make an application to fill said vacancy or new position. Senior employees

making application shall be transferred to fill the vacancy or new position, provided he/she has the necessary qualifications to perform the duties of the job involved. An employee shall be given a thirty (30) day trial period in which to determine his/her qualifications for the position unless he/she is obviously not qualified. An employee so transferred shall be on probation in the new position for a period of ninety (90) calendar days during which time he/she may elect to be returned to his/her previous position without loss of seniority in that position. In the event the Council makes a determination that an employee is "obviously not qualified" and the Association does not approve of the determination, the applicant shall have the right of appeal through the normal grievance procedure.

9.6 Should a supervisor be unable to hold a position in the supervisor unit by virtue of elimination of a position, that supervisor shall have the right to revert back to the base unit without bumping and with all seniority rights of the City recognized. He may then be allowed to bid for the first available opening for which his seniority rights entitle him/her.

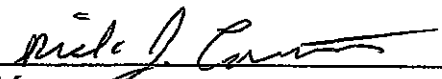
10. DURATION OF AGREEMENT

10. DURATION OF AGREEMENT


This Agreement shall be effective as of January 1, 2017 and shall remain in force and effect until December 31, 2019, except as otherwise provided. This Agreement shall remain in effect until a new Agreement or contract supersedes it.

CITY COUNCIL
CITY OF HIBBING, MINNESOTA

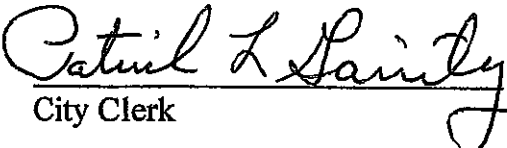
MINNESOTA ASSOCIATION of
PROFESSIONAL EMPLOYEES



Mayor



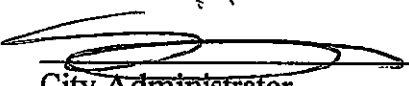
President



City Clerk



MAPE Executive Director



City Administrator

Dated: 12/28/16

**APPENDIX A
SALARY AND CLASSIFICATION SCHEDULE**

	2017 2.25%		2018 2.00%		2019 2.25%	
	MONTHLY	HOURLY	MONTHLY	HOURLY	MONTHLY	HOURLY
Finance Director	\$7,220.42	\$41.66	\$7,364.83	\$42.49	\$7,530.54	\$43.45
Fire Chief	\$6,618.93	\$38.19	\$6,751.31	\$38.95	\$6,903.21	\$39.83
Chief of Police	\$6,756.48	\$38.98	\$6,891.61	\$39.76	\$7,046.67	\$40.65
Building Official	\$5,777.90	\$33.33	\$5,893.46	\$34.00	\$6,026.06	\$34.77
City Services Manager	\$5,710.51	\$32.95	\$5,824.72	\$33.60	\$5,955.78	\$34.36
City Engineer/Dir Pub Works	\$7,069.14	\$40.78	\$7,210.52	\$41.60	\$7,372.76	\$42.54
Sanitation/S & A Foreman	\$5,396.85	\$31.14	\$5,504.79	\$31.76	\$5,628.65	\$32.47
Library Director	\$5,269.10	\$30.40	\$5,374.48	\$31.01	\$5,495.41	\$31.70
Waste Treatment Supervisor	\$5,522.76	\$31.86	\$5,633.22	\$32.50	\$5,759.97	\$33.23
Cemetery Sexton/San & Sewer Foreman	\$5,360.63	\$30.93	\$5,467.84	\$31.55	\$5,590.87	\$32.26
Internal Auditor	\$5,516.12	\$31.82	\$5,626.44	\$32.46	\$5,753.03	\$33.19