



**Collective Bargaining Agreement**  
**Between**  
**AFSCME Council 65, Local 3594-0000, AFL-CIO**  
**And**  
**Arrowhead Transit**  
**1/1/2021 – 12/31/2023**

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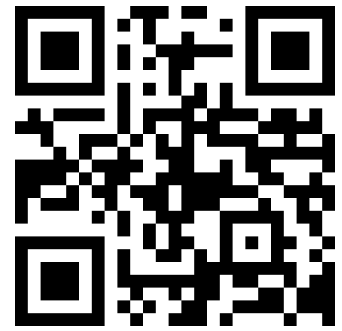
AFSCME Council 65 Office: [info@afscme65.org](mailto:info@afscme65.org) or 888-474-3242

**WEINGARTEN RIGHTS**

If called to a meeting with management, you have rights to representation. State the following and call your labor representative: If this discussion could in any way lead to my being disciplined or terminated, or affect my personal working conditions, I respectfully request that my union representative be present at the meeting. Until my representative arrives, I choose not to participate in this discussion.

## **BECOME AN AFSCME 65 MEMBER**

Are you a new employee or not a member yet? Scan the QR code to sign up today and take advantage of the many benefits of AFSCME membership!



## **MEMBER BENEFITS**

Are you taking advantage of your union member benefits? Check out the many benefits available from AFSCME Advantage and Union Plus at:

[www.afscme.org/member-resources](http://www.afscme.org/member-resources)

[www.unionplus.org](http://www.unionplus.org)

*Make sure to have your member number handy when accessing these benefits.*

## **ORGANIZING**

Know someone who wants to form a union at their workplace? Contact our Organizing Department at 888-474-3242 or email [info@afscme65.org](mailto:info@afscme65.org) and inquire about forming a union. Make sure they tell us you referred them. Your Local benefits from referring new union members.



**AGREEMENT**

between

**ARROWHEAD TRANSIT**

(operated by the Arrowhead Economic Opportunity Agency)

and

**MINNESOTA COUNCIL, #65**

**AMERICAN FEDERATION OF STATE, COUNTY  
AND MUNICIPAL EMPLOYEES, AFL-CIO**

**LOCAL UNION NO. 3594**

**JANUARY 1, 2021 – DECEMBER 31, 2023**

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## **ARTICLE I** **RECOGNITION**

**Section 1.** Arrowhead Transit (operated by Arrowhead Economic Opportunity Agency), Virginia, Minnesota, hereby recognizes Local No. 3594, American Federation of State, County and Municipal Employees, Minnesota Council 65, AFL-CIO, as the exclusive representative for collective bargaining purposes of all employees of Arrowhead Transit, excluding supervisory and confidential employees (BMS Case No. 89-R-2155)

**Section 2.** The Employer shall not enter into any agreement with the employees coming under the jurisdiction of this Agreement, either individually or collectively, which in any way conflicts with the terms of this Agreement. The Union agrees that the Union and the employees covered by this Agreement will not condone, conduct or carry on any Union activities on company time or engage any other employees in such Union activities while such employees are on company time.

## **ARTICLE II** **INTENT AND PURPOSE**

This Agreement has as its intent and purpose the promotion of harmonious cooperation, understanding, and mutual respect between the Employer and the Union, to provide for the peaceful and equitable adjustment of grievances and differences, and to provide the establishment of wages, hours, and terms and conditions of employment.

Further, the parties recognize their duty and responsibility to provide the best possible and most dependable transportation service to the community.

## **ARTICLE III** **AGREEMENT**

This Agreement is entered into between Arrowhead Transit (operated by Arrowhead Economic Opportunity Agency), Virginia, Minnesota, hereinafter referred to as the "Employer", and the American Federation of State, County and Municipal Employees, AFL-CIO, Local Union No. 3594, Minnesota Council No. 65, hereinafter referred to as the "Union." As used in this Agreement, the terms "All Employees" or "Employees" means all employees in the bargaining unit, as described in Appendix A. If additional classifications are added to the bargaining unit, or if positions or classifications are split or combined, the parties agree to negotiate the terms and conditions of employment for said classifications.

## **ARTICLE IV** **EFFECT OF LAW**

The Employer and the Union recognize all provisions of this Agreement are subject to the laws of the State of Minnesota, Federal laws, and orders of State and Federal governmental agencies. Any provision of this Agreement found to be in violation of any such laws, rules, regulations, directives or orders shall be null and void and without force and effect; however, such a provision shall not negate any other provision(s) of this Agreement.

**ARTICLE V**  
**MANAGEMENT RIGHTS**

**Section 1.** Except as otherwise expressly limited by a specific provision of this Agreement, the Employer retains all rights to fully control any matters concerning the management and conduct of its business. Such rights include:

(A) Determine layout and equipment to be used in the business, and determine the processes, techniques, methods, and means of providing services.

(B) Maintain discipline and control the use of its real and personal property, and determine all safety and health measures.

(C) Determine the numbers, types, and locations of its operations, including their scope and extent.

(D) Institute, administer, modify, change, and/or cancel its drug and alcohol testing policy and perform a drug and/or alcohol test on all employees consistent with its drug and alcohol testing policy.

(E) Determine and enforce reasonable rules and regulations, make changes to such rules and regulations, and enforce such rules and changes.

(F) Determine services to be offered, and plan, direct and control all operations.

(G) Relocate or close facilities, departments or divisions for whatever reason, including for the sole reason to reduce labor costs, with the understanding that the Employer will negotiate with the Union concerning the effects of any decisions made under this subsection, if such a request is made.

(H) Discontinue or transfer, assign or subcontract all or any part of its business operations to any outside person, firm, or corporation whatsoever, selected by the Employer.

(I) Introduce or modify new services, techniques, methods, processes, machines, jobs or classifications (including the right to change or modify job descriptions), and/or change, delete or combine existing services, techniques, methods, processes, jobs or classifications.

(J) Determine (i) the size of the workforce; (ii) the allocation and assignment of work or workers; (iii) the quality and quantity of work to be performed; (iv) the policies affecting the selection and training of employees; (v) the right to hire, recall, transfer, promote and lay off employees; (vi) and the right to suspend or discharge employees, (vii) the right to cross-train employees.

(K) Schedule operations, including the right to modify, change, lengthen or shorten work schedules, and close any facility for any reason provided that any notice required by law is given to employees. Employer agrees to provide notice (by any means

appropriate under the circumstances: verbal, email, posting, letter, etc.) of any changes it plans to make under this subsection (k), and an opportunity to discuss such changes (in advance when practicable) of the employer's implementation of the change.

(L) Schedule shifts and change shift schedules for all employees in the Employer's sole discretion; including but not limited to the right to change start and end times, break times, lunch times, and geographic areas worked, driven, or dispatched. Employer agrees to provide notice (by any means appropriate under the circumstances: verbal, email, posting, letter, etc.) of any changes it plans to make under this subsection (l), and an opportunity to discuss such changes, (in advance when practicable) of the employer's implementation of the change. With respect to geographic areas dispatched, Employer agrees that all dispatchers will be assigned to a "regular region" but that they will be required to cross-train so as to enable them to cover other regions for operational reasons. Before assigning a dispatcher to dispatch a region other than the dispatcher's "regular region," Employer will provide the dispatcher with at least two days of training and one ride-along in the geographic region to which the Employee will be assigned. Once cross-trained, a dispatcher may be assigned to cover any region for which the Employee is cross-trained.

(M) It is agreed that the enumeration above of management rights, which are exercisable in the Company's sole discretion, shall not be deemed to exclude other rights not herein specifically enumerated, which the Company shall have the right to exercise in its sole discretion, provided only that the exercise of such rights shall not be in conflict with any provision of this Agreement.

(N) The exercise or non-exercise of rights hereby retained by the Company shall not be deemed a waiver of any such right or prevent the Company from exercising such rights in any way in the future.

The exercise of any such rights or functions shall not be meant to limit the right of the Union to negotiate on non-specified provisions of this Agreement during future contract negotiations.

**Section 2.** The Union recognizes the right and obligation of the Employer to efficiently manage and conduct the operation of the business within its legal limitations and within its primary obligation to the public.

**Section 3.** The Union recognizes the right, obligation, and duty of the Employer and its duly designated officials to promulgate, implement, enforce and change rules, regulations, directives and orders from time to time as deemed necessary by the Employer so long as such rules, regulations, directives and orders are not in conflict with any specific provisions of this Agreement. Upon implementation of any new rules or regulations or modifications of existing rules or regulations, the Employer shall give written notice to the Union and the employees.

**Section 4.** The Employer acknowledges and agrees that the exercise of any of such rights or functions shall not be meant to limit the right of the Union to negotiate on non-specified provisions of this Agreement during future contract negotiations. Nothing in this article shall limit the employer's obligation to fully negotiate on mandatory subjects of bargaining, including terms



and conditions of employment not addressed in this Management Right's clause or elsewhere in the Agreement. In addition, the Employer acknowledges its obligation to engage in effects bargaining as required by law.

## **ARTICLE VI**

### **NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY**

**Section 1.** The provisions of this Agreement shall be applied equally to all employees. The Employer and the Union agree that the Employer is an equal opportunity Employer. The Employer will extend equal opportunity to all individuals regardless of age, race, religion, color, sex (including pregnancy, sexual orientation and gender identity), national origin, disability, marital status, political belief, age, genetic information, or any other status protected by any federal, state or local law. Our policy reflects and affirms the Employer's commitment to the principles of fair employment and the elimination of all discriminatory practices.

**Section 2.** No employee shall be required as a condition of employment to join, or maintain membership, in the Union. The Employer and the Union agree that there shall be no discrimination, interference, restraint, coercion or reprisal by the Employer or the Union against any employee or any applicant for employment because of membership or nonmembership in the Union or because of any lawful activity in an official capacity on behalf of the Union.

**Section 3.** The use of the term "he" or its derivatives in this Agreement is for clarity and expediency only, and does not denote preference nor suggest discrimination because of an employee's sex.

## **ARTICLE VII**

### **CHECKOFF OF UNION DUES**

**Section 1.** In recognition of the Union as the exclusive representative:

(A) The Employer shall deduct an amount each pay period sufficient to provide the payment of regular dues and/or other Union approved deductions, established by the Union from the wages of all employees authorizing, in writing, such deduction on a form mutually agreed upon by the Employer and the Union; and the deduction of dues shall commence thirty (30) working days after initial employment with the Employer; and

(B) The Employer shall remit such deductions to AFSCME Council 65 Administrative Office (118 Central Avenue, Nashwauk, MN 55769) with a list of the names of the employees from whose wage deductions were made, along with other pertinent employee information necessary for the collection and administration of Union dues, preferably in an Excel formatted report that may be electronically transmitted, or by U.S. mail; and

(C) The Union shall provide the formula or schedule (if applicable) to calculate the actual dues deduction to the Employer and will provide a spreadsheet that can be used to calculate the actual dues along with any set amount for local assessments, in an electronic Excel format or via U.S. Mail. To change the formula (which may only be done

prospectively) the Union must provide at least thirty (30) calendar days' notice to Employer.<sup>1</sup>

**Section 2. Fair Share/Agency Fee.** The Union may collect an agency fee or fair share fee in an amount determined by the Union from bargaining unit members who choose not to become members of the Union. However, any such fees so collected by the Union shall be accomplished in accordance with the applicable terms of Minnesota Statute Section 179A.06, Subd. 3.

**Section 3.** The Union agrees to indemnify and hold the Employer harmless against any and all claims, suits, orders or judgments brought or issued against the Employer as a result of action taken by the Employer under all provisions of this Article.

**Section 4.** The Employer will provide the Union President a Union Adjustment Report and a Seniority Report upon request, if such request is made in writing to the Transit Office Manager.

## **ARTICLE VIII**

### **DEFINITION OF EMPLOYEES**

**Section 1. Full-time Employees:** Those Employees who are routinely scheduled to work thirty-one (31) hours or more per week for 39 weeks in a calendar year.

**Section 2. Part-time Employees:** Those employees who work less than 31 hours a week. Part-time employees may be scheduled for more than 31 hours provided they do not exceed 39 weeks in a calendar year. If an employee is scheduled for more than 31 hours a week for 39 or more weeks in a calendar year, unless the employee refuses reclassification in writing, the employee will be considered a full-time employee for a minimum of the next 12 months, starting on January 1 of the following year.

**Section 3. Temporary and Casual Employees:** Employment designed to provide a specific service or complete a specific task within a designated time frame (such employees may be eligible for benefits).

**Section 4. Seasonal Employees:** Employment designed to work within seasonal program operations (such employees may be eligible for benefits).

**Section 5. Substitute Employment:** A person hired to replace an employee for a specific period of time because of illness, paid leave, and leave of absence (not benefits eligible).

**Section 6.** Nothing in this Agreement shall restrict the Employer from determining the number or type of positions; i.e. full-time or part-time that shall exist at any given time.

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<sup>1</sup> As used in this agreement, "Working days" are defined as Monday, Tuesday, Wednesday, Thursday, and Friday, excluding holidays defined in Article XVIII. "Calendar days" are defined as every day, and unless specified otherwise the use of "day" in this agreement refers to a calendar day. However, if a provision of this agreement sets a deadline by calendar days and the deadline falls on a Saturday, Sunday, or a holiday defined by Article XVIII, the deadline shall be the next working day.

**ARTICLE IX**  
**SENIORITY**

**Section 1.** With the exception of Seasonal, Temporary, Casual, and Substitute Employees, all employees covered by this Agreement shall be granted seniority standing based on the total length of continuous employment with the Employer. All new employees shall be granted seniority upon completion of the probationary period, at which time they shall be placed on the system seniority list with the first day of employment becoming their seniority date.

For the avoidance of doubt, employees classified as Seasonal, Temporary, Casual, or Substitute Employees do not accrue seniority.

**Section 2.** In the event two or more employees have the same seniority date, the following shall be used as a tie breaker. Said employee shall be arranged in seniority by the first letter of Employee's last name, second letter of last name, if necessary, and so on.

**Section 3.** An employee shall lose seniority if:

- (A) Employee is discharged for cause.
- (B) Employee quits or voluntarily resigns from employment.
- (C) Employee is on layoff for more than eighteen (18) months from date of layoff.
- (D) The employee fails to report for work after expiration of approved unpaid leave of absence or layoff in accordance with the provisions of Article 13, Layoff and Recall.

**Section 4.** Employees shall accumulate seniority as set forth below:

- (A) An employee on PTO or disability will continue to accumulate seniority up to the point that the employee no longer receives PTO or weekly income accident and sickness insurance benefits. Employees unable to return to work after expiration of PTO or appropriate insurance benefits must request, in writing, an unpaid leave of absence from the Executive Director, who has discretion of approval, terms, conditions and duration of the leave.
- (B) An employee on National Guard or Reserve duty shall accumulate seniority.
- (C) No employee shall accumulate seniority while on layoff or unpaid leave.

**ARTICLE X**  
**PROBATIONARY EMPLOYEES**

**Section 1.** All new employees shall be on probation for a period of six (6) months of continuous service beginning from the employee's date of hire.

Employees in the probationary period may be terminated or laid off, and the probationary period may be extended for a period of up to another six (6) months with notice to the Union within the original six (6) month probationary period, without notice and without recourse to the grievance procedure during their probationary period. Examples of reasons the probationary period may be extended are to avoid a termination, if an employee had been on light duty work or a leave of absence during the probationary period, to help an employee succeed on the job, or to provide additional training. During the probationary period, employees shall be entitled to use the grievance procedure for all grievances, except termination, determination of qualifications and discipline.

**Section 2.** The probationary period shall constitute a trial period during which the Employer will judge and determine in the Employer's sole discretion the employee's skills, ability, competency and all other qualifications deemed necessary to perform the job for which they were employed. The judgment of the Employer regarding a probationary employee's qualifications will not be subject to the grievance and arbitration procedure.

The term "qualifications" for probationary employees refers to performance, honesty, attendance, promptness, ability, competency, client/passenger relations, compliance with policies, procedures, and all other skills which are necessary for an employee to fulfill the requirements of the position for which the employee is employed.

**Section 3.** All probationary employees will be scheduled days, nights, and weekend shifts. During the probationary period, the Employer will determine which shift the employee would most likely succeed on in daily operations, but the Union recognizes that the Employer has the right to schedule probationary employees to any and all shifts in order to run operations efficiently and effectively.

**Section 4.** All probationary employees may use two (2) PTO days during their probation period if the PTO is accrued. If an employee's probation is extended, the employee may use up to two (2) additional days of accrued PTO days during the employee's extended probation. It is also understood if the employee were to voluntarily resign or be terminated before the end of the probationary period after using any of their PTO, the employee will have any used PTO deducted from their last payroll.

## **ARTICLE XI JOB DESCRIPTIONS**

All AFSCME Council 65 Arrowhead Transit positions shall have a job description that lists the essential duties and functions of the job to be performed.

## **ARTICLE XII POSTING**

**Section 1.** As used in this Agreement, the term "Vacancy" or "Vacancies" means an opening for a bargaining unit position listed in Appendix A of this Agreement, the Employer intends to fill, caused by death, resignation, dismissal, transfer, retirement, promotion, demotion, or other long-term/permanent departure of the incumbent from a position. For the avoidance of doubt, the Employer has the sole right to determine when a vacancy exists.

Notice of all vacancies within the bargaining unit will be posted on all employee bulletin boards within Arrowhead Transit, and emailed to all employees. All employees shall be given seven (7) working days' time in which to make an application to fill the vacancy.

**Section 2.**

(A) Filling of Vacancies. It is understood that Arrowhead Transit will hire full-time and part-time employees from both external and internal candidates for all vacancies and newly created positions within the bargaining unit of Arrowhead Transit System. Notice of all vacancies and newly created positions within the bargaining unit of Arrowhead Transit System will be posted on all employee bulletin boards within Arrowhead Transit, and all employees shall be given seven (7) working days' time in which to make application to fill said vacancy. The Transit Director shall give consideration to any employee applying for the vacancy from within the bargaining unit. The determining factors used to determine which applicant is awarded the vacancy shall be as follows, in the following order of importance: 1) Qualification 2) Work Record 3) Seniority. It is understood that an employee whose work record is substandard as to the proper performance of employee's job requirements and duties and who has been made aware of same within a reasonable amount of time of any just infractions of employee expected and required job performance or duties, deemed necessary by the Transit Director, which would be used to determine infractions of same, and if said employee's work performance has not substantially improved at the time of application for the aforementioned vacancy, it shall negate the employee's transfer to the vacant position.

(B) In the event the employee or Union does not concur in the above determination, the employee shall have the right to appeal through the normal grievance procedure so long as the employee applied for the vacancy within 7 days of posting.

**Section 3.** If a vacancy is filled by a bargaining unit employee, the employee filling the position shall be given a thirty (30) calendar day trial period in which to determine employee's suitability for the position. Any time during said thirty (30) day period the Employer or employee may elect to return the employee to employee's former position.

**Section 4.** If a bargaining unit employee is appointed to a non-bargaining unit position, said employee shall be able to return to employee's former bargaining unit position within six (6) months without loss of seniority standing, and the employee shall continue to accumulate seniority for bargaining unit purposes during this six (6) month period.

**ARTICLE XIII**  
**LAYOFF AND RECALL**

**Section 1.** Employer may, on occasion, need to lay off employees for a variety of reasons. In the event of layoff, employees shall be laid off according to seniority in the inverse order of hiring. Employees shall be rehired or recalled according to seniority in the inverse order of layoff, except that no employee shall be retained or recalled if said employee is unable to immediately perform the work available.

**Section 2.** Recall of employees shall be by certified letter sent to the employee's last known address. It shall be the sole responsibility of the employee to keep the Employer informed of the employee's current address at all times. The notice of recall shall include the name of the Employee's supervisor. An employee recalled to work must notify the Employer, in writing to the Employee's supervisor, of employee's intention to return to work within five (5) workdays after receipt of the recall notice and must return to work within fifteen (15) workdays after receipt of the recall notice or forfeit recall rights and seniority under this Agreement.

The fifteen (15) workday period may be extended if mutually agreed in writing by the Employer and the employee. If notice of recall by certified mail is returned to the Employer after fifteen (15) calendar days as undelivered, the employee will be considered to have forfeited recall rights and seniority under this Agreement.

**Section 3.** Notice of pending layoff will be provided to affected employees by email and letter. The layoff notice will be provided within five (5) work days of the decision to make a layoff if practicable. A copy of said notice shall be given to the President of Local 3594 by email and letter of all employees affected by impending layoff.

**Section 4.** An employee will be maintained on layoff status for a maximum of eighteen (18) months from the date of layoff, after which the employee will have no further recall rights and will lose all seniority with the Employer.

**Section 5.** An employee on approved leave of absence during a layoff notice will have the same rights to layoff and recall as if actively at work on the date of layoff.

**Section 6.** An employee recalled to work from layoff who is offered a position at a location more than 50 miles from the employee's residence may waive employee's right of recall and remain on layoff status until a position becomes available closer to employee's original work location. Such a waiver of recall rights will not affect the original eighteen (18) month right to recall which will remain in effect.

#### **ARTICLE XIV UNION STEWARDS**

**Section 1.** The Employer recognizes the right of the Union to designate stewards and their alternates from the bargaining unit. The Union shall notify the Transit Director, in writing, of the names of all stewards and alternates. Until such notification of changes is provided, the Employer will not recognize individuals not on the written list of Stewards/alternates as Union representatives.

**Section 2.** Employees have a right to union representation during any investigatory interview that may reasonably lead to discipline, however, employees may waive the right to union representation by signing a written waiver.

**Section 3.** All stewards and/or Union officers will be permitted reasonable access to Arrowhead Transit facilities to perform the duties assigned to them under the terms of this Agreement. In carrying out these duties, the stewards and Union officers will not interfere with any Employer operations, Stewards/Officers will not perform their Union duties while being paid

by the Employer, and will not conduct any Union business including the processing of grievances with other represented employees while these employees are being paid by the Employer.

Notwithstanding the above, the Union stewards and Union officers may perform their duties during portions of the work day when relieved from active duty responsibilities as a result of their normal work schedule and may enter into discussions of grievances with affected represented employees during portions of their work day when they are relieved from active duty responsibilities as a result of their normal work schedule.

**Section 4.** An employee elected or appointed by the Union to represent the Union at International, State and/or Minnesota Council 65 meetings and which shall require the employee's absence from duty shall, upon application of five (5) days' notice and with the approval of the Transit Director, be granted an unpaid leave of absence to attend such meetings, in accordance with the following schedule:

<u>Type of Meeting</u>	<u>Number of Delegates</u>	<u>Maximum Time</u>
International (1 every other year)	1 per each 25 members or greater fraction thereof	5 working days
State (1 every other year)	1 per each 100 members or greater fraction thereof	3 working days
Council 2 every year)	1 per each 25 members or greater fraction thereof	1 working day

**Section 5.** If negotiations are during work hours Employer will make reasonable efforts to reschedule members of the negotiating committee so that they will not lose hours of work in a pay period.

The committee shall be the Union President and two (2) elected members to the committee from separate locations, and the Union Field Staff person.

## **ARTICLE XV**

### **DISCIPLINE**

**Section 1.** As a general rule, the Employer follows a progressive discipline program. However, if the Employer determines that the seriousness of the infraction, violation or employee action warrants, discipline may be initiated at any step of the program, including termination.

**Section 2.** Normal disciplinary measures which the Employer may use are:

(A) **Oral Warning.** This is a discussion between a supervisor and an employee regarding an infraction of policies or work rules.

(B) **Written Warning.** This is a formal written notice indicating the employee has violated the Employer's policies or work rules. This warning is usually accompanied

by a discussion and counseling session to discover the cause for the infraction and to emphasize the importance of compliance with the Employer's policies and work rules.

(C) Suspension. A suspension is an involuntary absence from work for which the employee is not paid. Suspension will be given for a specific number of days ranging from one (1) day to thirty (30) days depending on the type and severity of the infraction and the record of previous infractions.

(D) Termination. Termination is the involuntary separation of the employee. It is the last step in the progressive disciplinary program.

Employees shall provide written notice of intent to resign as far in advance as possible, but no less than two (2) weeks before the last day of work, in order to receive pay for unused paid leave. Nonetheless, Employer may pay out unused paid leave if, in its sole discretion, it determines doing so is just and proper.

Section 3. Except for probationary employees, the employee and the Union shall have the right to appeal discipline, a suspension or termination of an employee through and in accordance with the grievance procedure of this Agreement.

Section 4. An employee may examine employee's own personnel file upon request.

Permission must be secured from employee's immediate supervisor if this would occur during work time.

Section 5. When the Employer has reason to reprimand an employee, every reasonable effort will be made to reprimand the employee in a manner that will not embarrass the employee in front of other employees or in public. When any disciplinary action more severe than an oral reprimand is intended, the Employer shall, before or at the time such action is taken, notify the employee and the Union President, by email, of the action taken.

Section 6. An employee's personnel file will be maintained on an on-going basis. Only agency letters of reprimand within the current three (3) years may be used for further disciplinary reasons. However, oral warnings and written warnings will not be considered in determining further discipline if the employee receives no other occurrences/discipline within two (2) years of the most recent oral or written warning. State and Federal violations will be maintained and used as long as the law requires.

## **ARTICLE XVI** **GRIEVANCE PROCEDURE**

Section 1. A grievance shall be defined as any and all dispute(s) or disagreement(s) as to the application or interpretation of any provisions of this Agreement, which expressly includes any unfair labor practice arising out of the same operative facts as a grievance or a situation that could have been grieved. The parties expressly agree that any unfair labor practice filed covering the same facts as a situation that is or could have been grieved must either be deferred to arbitration or withdrawn. The arbitrator in such a case expressly has the authority to determine the merits of the unfair labor practice.



Any issue must first be brought to the attention of the employee's immediate supervisor before the formal grievance procedure may begin. If the matter is not resolved after speaking to the immediate supervisor, the matter must be taken to the Assistant Transit Director or designee before the formal grievance procedure begins. If the matter cannot be resolved by informal discussion, it shall be settled in accordance with the following procedure:

Step 1: The Union officer or steward shall present the grievance in a writing, delivered by any means, to the supervisor involved within the time limits outlined in Section 2 below. An answer to the grievance will be given in writing delivered by email within ten (10) working days after presentation.

Step 2: The Union may appeal the disposition of a Step 1 grievance to the Assistant Transit Director or designee. Such an appeal must be made within ten (10) working days of receipt of the Step 1 answer. The appeal shall be in writing delivered by email and shall list the points of difference between the two parties. The Employer shall answer the appeal within ten (10) working days of receipt of the appeal. This period shall be extended to twenty (20) working days if the Assistant Transit Director holds a meeting with the Union in an attempt to resolve the grievance. The answer shall be in writing delivered by email and will either uphold or deny the grievance.

Step 3: The Union may appeal the disposition of a Step 2 grievance to the Transit Director. Such an appeal shall be made in writing delivered by email within ten (10) working days of the receipt of the Step 2 answer. The Transit Director may set a special meeting within twenty (20) working days to hear testimony from both parties on the aggrieved matter. The Director shall answer the appeal, in writing delivered by email, stating the Employer's decision on the matter and the reasons therefore within ten (10) working days of the special meeting or, if no special meeting is held, within twenty (20) working days of receipt of the grievance.

Step 4: Upon completion of Step 3 and prior to requesting arbitration, the Union and Employer must mediate the grievance before a Bureau of Mediation Services mediator. The request for mediation must be made to the Bureau of Mediation Services in writing within the ten (10) working days following the decision in Step 3 of the Grievance Procedure.

Step 5: Either party may appeal the disposition of the Step 3 grievance to an arbitrator, if mediation is unsuccessful. The requesting party shall notify the other party of a request for arbitration in writing within twenty-one (21) days after mediation. A single arbitrator shall be used, and the arbitrator's decision shall be binding on both parties. The arbitrator shall be selected from a list of five (5) names of American Arbitration Association prospective arbitrators supplied by the Bureau of Mediation Services, State of Minnesota. Either party may request a completely new list of names a maximum of two times before striking names. The two parties shall alternately strike names from the list until a single name is left. The grieving party shall strike first. This person shall be the arbitrator. The expenses of the single arbitrator shall be borne equally by both parties. Each party shall pay its own arbitration expenses, including the cost of preparing for the arbitration and the expense of any witnesses at the arbitration hearing. Once scheduled, each side may only reschedule

the arbitration once without mutual consent (to a mutually available date within 3 months of the originally scheduled arbitration date, subject to arbitrator availability), except in extraordinary circumstances.

**Section 2.** A grievance must be presented within ten (10) working days of the incident giving rise to the grievance or within ten (10) working days of when the employee knew or should have known about the incident, if later. If a grievance is not presented within this time limit, it shall be considered waived. If a grievance is not appealed to the next step within the specific time limit, or an agreed extension thereof, it shall be considered settled on the basis of the Employer's last answer.

**Section 3.** The Field Staff Representative of Council 65 shall be allowed to participate in all levels of the grievance procedure beginning at the Step 1 level, but shall notify the Transit Director of the employee's involvement prior to any meetings or conversations with any management representatives.

**Section 4.** Nothing contained in this Article shall prevent any employee from holding informal discussions with management concerning matters of interest to Employer

**Section 5.** All grievances must be signed by the grievant(s). However, if a grievance is defined as a "class action" it must be signed either by a grievant, Union officer, or the Union representative currently assigned to the bargaining unit. A class action grievance must follow the grievance procedure with the exception that class action grievances must initiate at Step 2.

**Section 6. Election of Remedies and Waiver.** Should an employee or the Union institute any action, proceeding, petition or complaint in federal or state court, or with any federal or state agency, or other administrative tribunal, the subject matter of which may be grievable pursuant to this collective bargaining agreement, the employee and/or Union shall immediately waive any and all rights to pursue a grievance under this Agreement and any right to a hearing, regardless of the outcome of the other proceeding.

## **ARTICLE XVII** **PAID LEAVE**

**Section 1.** Time off with pay was previously accrued for vacation and sick leave. This time will now become available as paid leave (P.L.). This time may be used at the employee's option for time off for personal reasons in accordance with the procedures set forth in this Agreement. The purpose of P.L. is to provide the employee with greater flexibility in using time off while assuring the Employer that most absences will be planned in advance and for adequate coverage to be arranged. This is not intended to change any of the existing policies and procedures regarding notification, approval or scheduling except as noted.

Employees who are ill and unable to work must notify their supervisor, or if their supervisor is not available another supervisor, as soon as possible in advance of the absence from work, at least one hour before the next scheduled shift, in order that a replacement can be notified or other arrangements made. Paid leave must be taken when eligible. This is considered "Short Notice Leave" and described further in Section 9.

**Section 2.** All employees will receive paid leave in accordance with the following table: The rate of accumulation per 80 hours of paid work will apply to part-time employees and to full-time employees working less than 1560 hours during the prior calendar year.

<u>Length of Service</u>	<u>Rate of Accumulation Per 80 Hours of Paid work</u>	<u>Maximum Hours Accumulated Per Year</u>
0 hrs to 4,159	3.50	78.00
4,160 hrs to 16,639 hrs	5.00	117.00
16,640 hrs to 31,199 hrs	6.00	156.00
31,200 hours+	7.50	195.00

Employees must complete their six months probationary period to be eligible to receive any paid leave except as described in Article X, Section 4.

Length of service shall be based on all paid time received. No employee shall receive less paid leave because of this change. In the event that an employee would fall into a lower paid leave schedule, it is agreed by the parties that the employees paid leave shall be frozen until such time that their length of service and the paid leave schedule call for an adjustment.

**Section 3.** Due to the nature of Arrowhead Transit, employees are required to submit paid leave requests of five (5) or more days at least thirty (30) days in advance. If the employee is requesting less than five (5) days, a two-week notice is required. Because a specific number of drivers is required to operate all routes, management will determine the number of employees that can be on paid leave for any given week or part of a week, and dates for paid leave will then be granted on the following basis: By January 15 of each year, employees who request paid time off for dates later in the calendar year shall be granted such time off. In the event more than one employee is requesting the same date(s) off, the employee with more seniority shall be granted the time off. All other requests for paid time off shall be granted on a first come/first serve basis.

**Section 4.** It is the policy of Arrowhead Transit to grant paid leave with pay to eligible employees. Paid leave earnings shall be cumulative. Paid leave is accrued at the end of each pay period and paid out at the rate it is earned. Employees may request a payoff of paid leave earnings in an emergency situation. Requests must be in writing to the Executive Director. Employees will be limited to 100 hours maximum payoff in any calendar year.

**Section 5.** Except for paid leave requests of five (5) or more days described in Section 3, paid leave slips shall be approved or disapproved within three (3) days of said request. The agency shall notify the employee as soon as possible so the employee is clear to make plans and schedule transportation.

**Section 6.** Paid leave will be paid for work days only, not to exceed eight (8) hours of pay per day at the employee's straight time hourly rate. Part-time employees shall have the option to use paid leave for scheduled absences at a minimum of their two previous pay roll average hours and/or a maximum of eight hours per day, providing they have the hours accrued and it does not result in the payment of overtime, and hours in excess of their average do not count as scheduled hours when determining definition of employee.

**Section 7.** Failure to submit a doctor's statement of illness when required will result in loss of paid leave pay for the employee for the period of absence.

**Section 8.** There will be no duplication or pyramiding of paid leave pay with any other Employer compensation or Employer sponsored insurance benefits paid to the employee.

**Section 9. Short Notice Leave.**

It is understood that the use of Short Notice Leave ("SNL") is disruptive to Employer's business operations and its ability to provide superior customer service. SNL is to be used only for emergencies or illness. If an employee has more than two SNL requests during the 365 days preceding the employee's most recent SNL request, the following rules apply:

- An employee may not utilize PTO for the first (1) day of leave whenever there are three (3) to five (5) SNL requests;
- An employee may not utilize PTO for the first three (3) days of leave whenever there are six (6) SNL requests;
- An employee may not use PTO for the first four (4) days of leave whenever there are seven (7) or more SNL requests;

The Employer, in its discretion, may require proof of emergency or illness on a case-by-case basis for use of Short Notice Leave when the Employer has a good faith belief that an employee has a demonstrated pattern of absences.

**Section 10.** Employees shall be allowed use of paid leave as per Minnesota Statute Chapter 181, "Employment Family Leave", and under applicable provisions of the Federal Family and Medical Leave Act. Days used in this Section shall apply to Section 9 above.

**Section 11.** Two (2) weeks' notice of resignation shall be given to the Employer in order to receive paid time payoff. Employees leaving employment in good standing for reason of personal or familiar betterment or unavoidable emergency shall not be subject to resignation penalty for not giving a two week notice.

**ARTICLE XVIII  
HOLIDAYS**

**Section 1.** The following shall be paid holidays for all employees:

New Year's Day	Thanksgiving Day
Good Friday	Friday after Thanksgiving
Memorial Day	Christmas Eve Day
Independence Day	Christmas Day
Labor Day	Two (2) Personal Holidays

Full Time employees will receive Holiday pay based on eight (8) hours pay at the employee's straight time hourly rate for each Holiday. Part-time employees will receive a pro-rated Holiday pay based on the schedule worked in the pay period preceding the Holiday, not to exceed eight (8) hours pay at the employee's straight time hourly rate.

Full Time and Part-Time employees shall receive two (2) personal holidays that must be used within the calendar year on a date mutually agreed to between the Employee and Employer. Employer will not unreasonably refuse an employee's request for a particular day. An example of a reasonable refusal includes, but is not limited to, multiple request for the same date or dates. If requests for a certain date are refused, they will be refused in reverse seniority order.

**Section 2.** To prevent overtime and hours over schedule, employees must declare in advance another day off that is mutually agreeable to the Employer and Employee, when a holiday falls on Saturday or Sunday. The Employer will determine how many employees will be required to run business operations during Holidays and utilizing the principles of seniority schedule the employees' work week. An employee must work the employee's last scheduled work day prior to the observed holiday and the employee's last scheduled work day after the holiday to be eligible for holiday pay. Effective upon the signing of the contract, any paid time off shall count as time worked before or after a holiday, providing short notice leave incidents do not disqualify an employee.

**Section 3.** When an employee is required to work on a holiday, the employee shall receive holiday pay plus time and one-half (1½) for all hours actually worked.

In addition, while Easter Sunday is not a recognized Holiday under this Agreement, if an employee is required to work on Easter Sunday, the employee shall receive time and one-half (1-1/2) for all hours actually worked on Easter Sunday.

**Section 4.** Should an employee be on scheduled PTO when a holiday or holidays occur, the employee shall be able to extend PTO, or be credited PTO for all such days. Employees receiving payments for worker's compensation, a short term disability, or on an approved unpaid leave of absence are not entitled to holiday pay.

**Section 5.** An employee must notify the Employer at least five (5) working days in advance of the day the employee would like to take as a personal holiday. Every reasonable effort will be made to schedule the employee off on the employee's desired personal holiday.

## **ARTICLE XIX**

### **INSURANCE BENEFITS AND ANNUITIES**

**Section 1. Dental and Medical Benefits.** The AEOA will carry dental and medical insurance for all full-time employees. AEOA will pay the same Medical and Dental Insurance benefits. Percentage of premium will be the same as all other AEOA employees in the pool. Medical and dental coverage takes effect after a full-time employee has completed four (4) complete and consecutive payroll periods with the AEOA.

**Section 2. Life Insurance.** Arrowhead Transit will provide to its full time employees group term life insurance and accidental death and dismemberment insurance on an amount equal

to the employee's basic annual earnings excluding bonuses and overtime pay. (Adjusted to the next higher multiple of \$1,000 if not already a multiple thereof) Arrowhead Transit will pay the full premium for the life insurance coverage. Coverage for full time employee begins after four (4) full consecutive payroll periods following appointment to a full time position.

Effective July 1, 1998, part-time employees, who have worked a minimum of 4,160 hours, shall receive group term life insurance and accidental death and dismemberment insurance. Premiums for said coverage shall be paid by the Employer.

**Section 3. Weekly Income Accident and Sickness Insurance.** Arrowhead Transit will provide to its full time employees weekly income accident and sickness insurance benefits. The amount of the weekly payment is 66-2/3% of the employee's basic weekly earnings, based on a 40 hour work week, to a maximum payment of \$750.00 per week. Coverage for a full time employee begins after four full consecutive pay periods from the date of appointment as a full time employee.

If an employee qualifies for short term disability, then they shall begin receiving disability payments after 7 consecutive days of eligible paid leave. The benefit begins on the eighth consecutive day of disability and is payable to a maximum of 26 weeks. However, there will be no duplication or pyramiding of the weekly income accident and sickness insurance benefit with paid leave pay or any other Employer compensation.

The weekly income accident and sickness insurance benefit will not be paid for job related injuries or illness. Such cases are covered by Workers Compensation insurance.

For purposes of this Section, "basic weekly earnings" are defined as the weekly average earnings of the last two pay periods prior to the date of illness or injury. Basic weekly earnings are based on earnings for a work week not exceeding 40 hours, exclusive of bonus and overtime pay.

**Section 4. Tax Sheltered Annuities.** This policy is retroactive to January 13, 2011.

All employees are eligible to participate in and are offered the opportunity to set aside a percent of their income on a bi-weekly basis in a voluntary tax sheltered annuity and ROTH plan offered by AEOA. All employees are eligible to participate in the annuity upon hire.

Employees who have completed two (2) years of a minimum of 1,000 hours per year of paid service are eligible to receive a contribution from Arrowhead Transit to the annuity. Arrowhead Transit's base contribution will equal three percent (3%). Additional Arrowhead Transit contributions up to three percent (3%) would be available to the extent that the eligible employee contributed personal salary reduction match dollars to the account. Arrowhead Transit's contribution will be deposited in the employee's annuity account bi-weekly. An employee will be entitled to 100% vesting of the Employer's contribution upon commencement of contribution.

## **ARTICLE XX** **LEAVES**

**Section 1. National Guard Leave.** Employees called to active duty training (non-voluntary) will be paid the difference between the employee's regular wage and that received for

the period of time spent on National Guard leave. The period of leave for active duty training shall be consistent with that required by applicable law. For purposes of this provision, leave will be paid based on the schedule worked in the pay period preceding the leave, not to exceed eight (8) hours of pay per day at the employee's straight time hourly rate.

**Section 2. Funeral Leave.** Employees may be granted up to three consecutive days off with pay to attend the funeral of a member of the immediate family, if such days are regularly scheduled work days for the employee. For purposes of this section, immediate family is defined as brother, sister, child, grand-child, grandparent, parent, parent-in-law, spouse/domestic partner, brother-in-law and sister-in-law. One of the three consecutive days must be the day of the funeral. The up to three consecutive days off for the funeral of a member of the immediate family are funeral leave, and will not be deducted from the employee's accrued PTO. Employees will be allowed one (1) day of funeral leave, not deducted from the employee's accrued PTO, for aunts, uncles, nieces, or nephews. Two additional days off may be granted for travel if the site of the funeral is more than 250 miles from the employee's residence and the employee attends the funeral. These travel days are deducted from the employee's accrued PTO. For purposes of this provision, funeral leave will not exceed eight (8) hours of pay per day at the employee's straight time hourly rate.

**Section 3. Family and Medical Leave Policy.** In accordance with the Family and Medical Leave Act of 1993 (FMLA), the Agency will provide up to twelve weeks of unpaid leave to "eligible" employees for certain family and medical reasons.

An employee is eligible for leave under the FMLA if the employee has been employed by the Agency for at least twelve months and worked at least 1250 hours during the twelve-month period immediately preceding the beginning of the leave.

Leave will be granted for any of the following reasons:

- (A) the birth of a child;
- (B) placement with the employee of a child for adoption or foster care;
- (C) to care for the employee's spouse/domestic partner, son, daughter, or parent who has a serious health condition;
- (D) the employee's own serious health condition which makes the employee unable to perform the functions of the employee's job.

The employee must provide at least thirty days advance written notice of the employee's need for leave. In cases where an employee cannot provide thirty days advance notice, notice is to be provided as soon as practicable.

The agency will require that the employee provide a medical certificate from a health care provider to support a request for leave based upon the employee's own serious health condition or that of the employee's family member. In the case of leave to care for a seriously ill family member, the certification must explain why the employee's assistance is necessary. In the case of leave for an employee's own serious health condition, an explanation of the employee's inability

to perform the essential functions of the job must be provided. The agency, at its own expense, may require that the employee get a second opinion from a doctor or health care provider of the agency's choice. If the two opinions conflict, the agency may require a third opinion, at its own expense, from a doctor or health care provider mutually selected by both parties. The third opinion is final and binding. The agency may require rectification of the serious health condition during the course of the leave, but will not do so more often than every thirty days. Also, the agency may require that the employee sign a medical release authorizing the agency to obtain the medical records relating to the employee's serious health condition. In the case of the serious health condition of an employee's family member, the agency may require that the family member sign a medical release authorizing the agency to obtain the medical records relating to the family member's serious health condition.

AEOA will provide paid FMLA only to the extent that paid leave, frozen sick leave bank, S and A benefits, or other paid time off are available during the 12 week FMLA eligibility period.

The agency will require that available paid leave options be used first before any unpaid leave is granted in connection with FMLA.

The agency will consider and count all paid and unpaid leave that qualifies as FMLA toward meeting the annual twelve-week requirements. In addition, the agency may treat a worker's compensation leave as qualifying FMLA leave and run the leaves concurrently.

Prior to returning to work from leave due to the employee's own serious health condition, an employee must, within ten days of the conclusion of the employee's leave, provide the agency with a fitness for duty certification from the employee's health care provider which states that the employee is able to resume work. The agency may deny restoration to employment until such certification is provided. If the employee fails within ten days to provide the fitness for duty certification or a medical certification extending the employee's FMLA leave (if FMLA leave has not been exhausted), employment may be terminated. If the employee's FMLA leave has been exhausted and the employee is unable or unwilling to return to work and does not have any additional leave benefits available, the employee may be terminated.

**Section 4. Extended Leave Policy.** An employee may be granted an "extended unpaid leave" after the employee has exhausted the employee's FMLA leave, frozen sick leave account, paid leave, and leave under the agency's Short Term Disability Insurance Policy, and any other paid leave. However, the granting of any "extended leave" is completely at the discretion of the agency, and may last up to 26 weeks. Prior to granting an "extended leave", and in order to determine whether the leave is necessary, the agency reserves the right to have the employee examined, at the agency's expense, by a doctor or health care provider of the agency's choice.

AEOA will not cover the cost of benefits to the affected employee during this extended leave period. Those receiving health insurance benefits prior to the extended leave period can maintain the policy at the employee's own expense.

Employees reaching medical improvement before this period has expired are expected to return to work when able and with a doctor's written medical release.



AEOA will make decisions as to the employment status of employees following the completion of the extended leave policy. Inability to return to work at this time may result in termination.

**Section 5. Military, Voting, and School Conference and activities Leave.** Employees are eligible for Military leave in accordance with MN Statute 192.26; Voting time leave in accordance with MN Stat. 204C.04; and School conference and activities leave in accordance with MN Statute 181.9412.

## **ARTICLE XXI JURY DUTY**

A full time employee called for jury duty shall be paid the difference between the employee's regular wage and that amount received for the period of time spent on jury duty, providing that factual documentation is provided by the employee to substantiate time served and amounts received. In lieu of the above, the employee may sign over and direct the check for jury duty to the Employer and receive the employee's regular paycheck. The Employer shall only pay for a maximum of ten (10) days of jury duty. An employee called for jury duty who is not required to be present in said courthouse during hours of regular work must report to work, if so requested.

In determining the employee's regular wage for a full day of jury duty, the number of hours worked per day during the two most recent pay periods will be averaged to determine the employee's regular daily wage for each full day of jury duty.

Part time employees will be given time off without pay, to a maximum often (10) days, for jury duty. Part time employees must provide factual documentation to substantiate the time served.

Whenever possible, part-time employees will be re-scheduled to make up for any time lost in the week in which they were called for jury duty.

## **ARTICLE XXII RATES OF PAY**

The wages reflected in Appendix A, attached hereto and made a part hereof, shall be a part of this Agreement.

## **ARTICLE XXIII NO STRIKE/NO LOCKOUT**

**Section 1.** The Union agrees that neither the Union nor the employees represented by the Union will call for any reason, directly or indirectly, or sympathetically call, sanction, encourage, condone or engage in any strike, slow down or stoppage of work or operations, boycott, honor a picket line (unless crossing a picket line without escort or law enforcement presence would jeopardize the safety of the employee), or engage in any other interference with the business of the Employer for the duration of this Agreement.

**Section 2.** The Union will cooperate with the Employer in continuing operations and will discourage any violation of this Section.

In the event a violation of this Section occurs, the Union will make a good faith effort to terminate such activity by immediately notifying employees that the violation is not sanctioned or approved by the Union, and requesting that employees cease the violation and return to work at once.

If, during the term of this Agreement, an employee or group of employees violates this Section without the authorization of the Union, the Union shall have no liability for damages if it has complied with B of this Section.

**Section 3.** Violations of this Section by employees shall be proper cases for discharge or other disciplinary action. Such disciplinary action shall be subject to the Grievance/Arbitration procedures of this Agreement only to the extent of whether the employee did or did not commit the violation, and not as to the severity of the discipline.

**Section 4.** The Employer will not lock out the employees represented by the Union during the duration of this Agreement. Violation of D will be subject to the Grievance/Arbitration procedures of this Agreement.

**Section 5.** In the event of a violation of this Section, the parties shall be under no obligation to discuss the grievance or dispute giving rise to the violation, or any other grievance, until such violation ceases.

#### **ARTICLE XXIV MISCELLANEOUS PROVISIONS**

**Section 1.** All employees will have a performance review before the end of their six (6) month probation period. In addition, the Employer will conduct performance reviews on an approximately annual basis, or on the anniversary of a position start date, or at periodic intervals as needed.

**Section 2.** When an employee works in a higher paying job, that employee shall be paid the higher rate of pay for all work in that position if the employee works a minimum of two (2) consecutive hours in that position. The work must be pre-approved by a Supervisor in writing. When an employee is transferred to or fills in for a lower paying job, their wage shall remain the same.

**Section 3.** While the Employer agrees to post for all vacancies as described above in Article XII, if a vacancy is posted and filled, but the same type of position becomes available within 6 months of filling the first vacancy, the Employer may review previous applications for the first vacancy when filling the second vacancy.

**Section 4. Lunch Breaks** All employees are required to take a thirty (30) minute unpaid lunch on any day in which the employee is scheduled to work over six and a half (6 ½) consecutive hours. This requirement has no impact on breaks required by law.

An employee must, if possible, get approval from the employee's supervisor before working during the employees' lunch break.

If an employee did not reach the employee's supervisor to get approval to work through their lunch, the employee must inform the employee's supervisor in writing of the time worked.

If an employee is required to work a twelve (12) or more hour shift, the Employer shall provide a \$10 per diem for the employee to use to purchase a second meal.

**Section 5.** All hours worked on Sunday shall be paid at time and one-quarter (1¼) the regular hourly rate of pay.

**Section 6.** If an employee is requested to work at a base location different from the employee's home base, the Employer will make a best effort to provide a reasonable means of transportation to that location. If the Employer is unable to do so, and the employee uses their personal vehicle to travel from their home base or residence to the different base location, the employee will be paid mileage at the rate as per AEOA Travel Policy for each mile traveled to and from their home base or residence, as required. The mileage rate will be determined quarterly based on the mileage rate provided by the federal government. If the employee is required to spend the night at a base location, the Employer will cover the cost of the meals up to \$20/day and lodging at a preapproved establishment.

**Section 7. ADA.** The employer and the Union recognize the Americans with Disabilities Act (ADA) and the Minnesota Human Rights Act (MHRA) may have application to employees who have qualifying disabilities, whether work-related. The parties agree that they have a joint obligation to comply with ADA and the MHRA. However, the Union and the Employer represent and acknowledge that Arrowhead Transit is a separate and autonomous department of Arrowhead Economic Opportunity Agency (AEOA), and that any job placement or return to work opportunities in compliance with the shall be limited to those jobs and positions that are within this specific bargaining unit, and not within a part of other departments of AEOA. And further, any such job placement shall be in compliance with existing posting and seniority language unless said placement is agreed with by the Local Union body.

## **ARTICLE XXV EXTRA HOURS (EVENING/WEEKEND RUNS)**

Extra hours means hours that start outside of normal operating hours. Employer will fill extra hours using the following procedure:

- (A) If extra hours are known of more than 48 hours in advance, they shall be posted. Employees shall have the opportunity to volunteer by seniority so long as no overtime is incurred;
- (B) If there are no volunteers, the extra hours shall be assigned to the least senior employee with the fewest hours;
- (C) If there is no option but to incur overtime, the extra hours will be offered by seniority, equalized among the eligible employees;
- (D) If less than 48 hours, the employer will make a reasonable effort to post.

**ARTICLE XXVI**  
**COMPLETE AGREEMENT**

This Agreement as written contains the entire existing agreement between the parties, nullifies any purported past practices, and neither party shall be bound by any statement, representation, agreement or stipulation made prior to the execution hereof and not set forth herein or any subsequent side agreement or addendum unless reduced to writing and signed by both parties to this Agreement. During the life of this Agreement, neither party shall have the right to require the other to enter into any negotiations on any subject not referred to in this Agreement, except by mutual agreement, and with respect to those subjects referred to in this Agreement only as to the interpretation and application of such terms as may be required by law.

**ARTICLE XXVII**  
**WORK SCHEDULES**

**Section 1.** The workweek shall be (7) days per week, Saturday through Friday. The hours of service provided by Arrowhead Transit is 5:30 a.m. through 8:00 p.m.

**Section 2.** The employer will make every attempt to schedule employees less than 7 consecutive days in a row. After working 5 to 7 days in a row, the Employer will make every attempt to schedule the employee with 2 days off before starting their work rotation.

**Section 3.** Work schedules shall be sent electronically by no later than 10 a.m. on Wednesday of the preceding week. Work schedules will be posted on boards as soon as practicable after they are sent electronically. Due to the nature of Employer, changes may be required to meet demands. It is therefore the responsibility of all employees to check the schedules daily for changes, either by calling in or checking the employee bulletin boards. The Employer will make reasonable efforts to inform an employee of said changes, but Employees are ultimately responsible for reporting their daily shifts regardless of any changes.

One (1) copy of the schedule for the week will be electronically emailed to the Union President.

**Section 4.** All employees may trade or swap weekends with other employees, provided no overtime is involved and with written approval from their Supervisor.

**Section 5.** Hours of work scheduled are determined by seniority. For full-time employees, if hours are available to be worked above 31 hours in a week, those hours between 31 and 40 will be scheduled by seniority. For the avoidance of doubt, while employees are paid for time spent in employer mandated compliance training, such time is not considered for purposes of scheduling hours between 31 and 40; however, time spent by drivers on route training is considered for purposes of scheduling hours between 31 and 40. This section does not guarantee any employee a set number of hours per week, but does guarantee that the employee with the most seniority shall be scheduled for the most hours in a week so long as the most senior employee is trained/qualified to work the schedule/shift(s)/route(s) that allows for the most hours.

**ARTICLE XXVIII**  
**DRIVERS**

**Section 1.** All drivers scheduled for routes, shall report to work twenty (20) minutes prior to the start of route to adequately inspect and prepare their vehicles for service. Drivers shall also complete post-trip inspections. Failure to inspect and prepare a bus for route may and can result in disciplinary action up to and including termination.

**Section 2.** All drivers shall be assigned hours of work which meet the needs of routes and passengers. Drivers may have split shifts.

**Section 3.** Drivers failing to report for routes shall be automatically subject to the discipline procedure.

**Section 4.** The most senior drivers shall have the option to turn down special contract runs if the run starts outside of normal operating hours and suffer no penalty, and further shall maintain their normal hours of work.

**Section 5.** All employees who are scheduled and report to work but are sent home because of a cancelled run shall receive one (1) hour pay for reporting to work as scheduled. In the event the client pays for the cancelled run, the Employer shall notify the Union and the employee shall receive two (2) hours pay for reporting to work as scheduled.

**Section 6.** All employees who are called to work and report for duty when they are not scheduled to work shall be granted one (1) hour of work or one (1) hour of pay minimum.

**Section 7.** For required out-of-town physicals, the Employer agrees to pay the affected employee. If possible, the agency shall provide transportation for employees required to take physicals. Should employees be able to car pool, the person driving shall be paid the appropriate mileage rate.

**Section 8.** Any driver who is required to report to another location for duty other than their base location shall be paid for all hours of travel to and from said location as well as all hours worked at the other location. All employees shall be furnished with company transportation or mileage to report to the locations.

**Section 9.** All time worked within the normal two-week pay period will be paid to the nearest 1/10th of an hour as per the Time to Pay Conversion chart.

**ARTICLE XXIX**  
**OVERTIME**

**Section 1.** Overtime will be permitted only with the advance approval from the employee's immediate supervisor. Working unapproved overtime will subject an employee to discipline up to and including termination of employment. Overtime will be paid at the rate of one and one-half times the employees regular hourly rate for all hours worked more than forty (40) hours in any work week.

**Section 2.** Employees may periodically be required overtime work. If the Employer requires employees to work overtime, they will give the employee as much notice as possible. If the Overtime must be offered on short notice (less than 24 hours), it will be offered by seniority to employees on the same shift trained in the work area or route. Overtime shall be offered in seniority order. If there are not enough volunteers for required overtime, it will be assigned to employees in reverse seniority order.

**Section 3.** If an employee has scheduled PTO during a week and has already worked enough hours prior to the scheduled PTO such that the PTO time (if added to actual hours worked) would total more than 40 hours in a week, the employee will be allowed to be absent from work without losing PTO.

For example, if an employee works 35 hours Monday to Thursday, and has 8 hours of PTO scheduled for Friday, the employee will only be required to use 5 hours of PTO to cover the Friday absence.

### **ARTICLE XXX** **DRESS CODE AND PUBLIC IMAGE**

**Section 1.** All employees must present a clean and professional appearance.

**Section 2.** Bus Driver Appearance. All bus drivers are required to wear uniforms at all times while on duty unless required to work on short notice.

(A) Cost of uniforms to employees: For new bus driver employees, the first uniform jacket, shirt, vest, pant, tie, and cap shall be paid 100% by the Employer. Employees shall also receive a winter jacket/coat and winter hat at 100% cost to employer. After one year, all drivers will receive two (2) pants and one (1) shirt at 100% cost to employer. The employee may choose whether the pants are both "summer" pants, both "winter" pants, or one summer and one winter pant.

(B) The Employer requires a low heeled, closed toe and suggested dark shoes shall be worn. Shoes should be selected with safe operation of vehicles, personal safety and safety of passengers in mind. Arrowhead Transit reserves the right to disallow any footwear deemed unsafe.

(C) All bus drivers failing to wear the proper uniform will be subject to discipline up to and including termination.

(D) Uniforms may not be worn for other employment or outside of work.

(E) It shall be the bus driver's option to wear pre-approved shorts, pants, or capris (purchased at the driver's expense).

(F) The only emblem or patches that shall be allowed shall be those designated by the Employer.

(G) It shall be the driver's option to wear a cap as designated by the Employer.

(H) The Transit Director may designate a tie requirement for special service of importance to the Employer.

**Section 3.** All Maintenance employees will be supplied a uniform to be supplied by the Employer at 100%. All Maintenance employees will have name tag patches visible on uniform shirts.

**Section 4.** If a Supervisor feels that there is a problem with the way the employee is dressed, the Supervisor will address the issue with the employee in private and explain what is unacceptable about the employee's attire. The Supervisor will determine whether the employee is to go home to change clothes.

**Section 5.** All employees are required to wear name tags while on duty. Employees failing to wear name tags while on duty may and can result in disciplinary action up to and including termination.

## **ARTICLE XXXI** **STATE OF EMERGENCY PROVISIONS**

**Section 1.** The terms of this Article shall only be effective if a State of Emergency has been declared by the President or the Governor, and the Executive Director of the Employer has declared that the Employer is invoking the terms of this Article in response to the State of Emergency. The effectiveness of the terms of this Article will end when the Executive Director of the Employer so declares. Employees shall be entitled to "Emergency Pay" of \$2.00/hour for all hours worked while the terms of this Article are in effect.

**Section 2.** All employees are emergency-disaster workers subject to such disaster service activities as may be assigned to them by their supervisors, including emergency preparedness activities.

**Section 3.** In the event of a State of Emergency declared by the President or Governor, employees must report to work at their normal work time to their usual place of work, unless otherwise directed by a supervisor. Normal work hours may be modified in the Employer's sole discretion as the Employer determines is necessary to meet the need to provide emergency disaster services, and employees will be notified of changes to their work hours as soon as practicable.

**Section 4.** The Employer may assign employees to perform work outside their normal duties and responsibilities as the Employer determines is necessary to provide emergency disaster services.

**Section 5.** The Employer will provide employees with available protection as appropriate for the nature of the disaster and disaster service activities, such as protective clothing, while they are engaged in disaster service activities.

**Section 6.** In the event of a disaster, timelines regarding Employer action will be suspended, including but not limited to, payroll actions, job posting periods, grievance procedure, work schedule changes, probation periods, and collective bargaining negotiations.

**Section 7.** The failure to report to work and/or perform assigned duties as directed by management during a declared State of Emergency may be cause for disciplinary action up to and including termination.

**Section 8.** The Employer may take whatever actions it determines, in its sole discretion, may be necessary to carry out the missions of the Employer in a declared emergency.

**ARTICLE XXXII  
DURATION OF AGREEMENT**

This Agreement is entered into this 1st day of January, 2021, by and between Arrowhead Transit ("Employer") and Local Union No. 3594, American Federation of State, County and Municipal Employees ("Union"). This Agreement shall remain in full force and effect until December 31, 2023, and thereafter from year to year unless written notice is given by either party hereto to the other party on or before ninety (90) days prior to the expiration date of this Agreement, or each subsequent annual expiration date.

**ARROWHEAD TRANSIT (operated by A.E.O.A.)**

By [Signature] Date 1-12-21  
Transit Director

By Scott Zahorik Date Jan 12, 2021  
Executive Director

By Jeffrey Kletscher Date Jan 12, 2021  
Chairperson, Board of Directors

**LOCAL 3594, AMERICAN FEDERATION OF STATE,  
COUNTY & MUNICIPAL EMPLOYEES**

By Tom W. [Signature] Date 1/19/2021  
Bargaining Agent

By [Signature] Date 1-20-2021  
Local Union President



**APPENDIX A  
PAY PLAN**

**FULL TIME DRIVERS SALARY SCHEDULE**

	<u>Start</u>	<u>1040</u>	<u>2080</u>	<u>3120</u>	<u>4160</u>	<u>6240</u>	<u>8320</u>	<u>10400</u>	<u>12480</u>
1/1/2021	17.46	18.01	18.56	19.12	19.67	20.22	20.77	21.32	21.87
1/1/2022	17.63	18.19	18.75	19.31	19.87	20.42	20.98	21.53	22.09
1/1/2023	17.81	18.38	18.94	19.50	20.07	20.62	21.19	21.75	22.31

**PART TIME DRIVERS SALARY SCHEDULE**

	<u>Start</u>	<u>1040</u>	<u>2080</u>	<u>3120</u>	<u>4160</u>	<u>6240</u>	<u>8320</u>	<u>10400</u>	<u>12480</u>
1/1/2021	16.46	17.01	17.56	18.12	18.67	19.22	19.77	20.32	20.87
1/1/2022	16.62	17.18	17.74	18.30	18.86	19.41	19.97	20.52	21.08
1/1/2023	16.79	17.35	17.92	18.48	19.05	19.60	20.17	20.73	21.29

**FULL TIME DISPATCHER SALARY SCHEDULE**

	<u>Start</u>	<u>1040</u>	<u>2080</u>	<u>3120</u>	<u>4160</u>	<u>6240</u>	<u>8320</u>	<u>10400</u>	<u>12480</u>
1/1/2021	18.56	19.12	19.67	20.22	20.77	21.32	21.87	22.43	22.98
1/1/2022	18.75	19.31	19.87	20.42	20.98	21.53	22.09	22.65	23.21
1/1/2023	18.94	19.50	20.07	20.62	21.19	21.75	22.31	22.88	23.44

**PART TIME DISPATCHER SALARY SCHEDULE**

	<u>Start</u>	<u>1040</u>	<u>2080</u>	<u>3120</u>	<u>4160</u>	<u>6240</u>	<u>8320</u>	<u>10400</u>	<u>12480</u>
1/1/2021	17.56	18.12	18.67	19.22	19.77	20.32	20.87	21.43	21.98
1/1/2022	17.74	18.30	18.86	19.41	19.97	20.52	21.08	21.64	22.20
1/1/2023	17.92	18.48	19.05	19.60	20.17	20.73	21.29	21.86	22.42

**MECHANIC SALARY SCHEDULE**

	<u>Start</u>	<u>1040</u>	<u>2080</u>	<u>3120</u>	<u>4160</u>	<u>6240</u>	<u>8320</u>	<u>10400</u>	<u>12480</u>
1/1/2021	26.56	26.87	27.18	27.49	27.81	28.12	28.43	28.74	29.05
1/1/2022	26.82	27.14	27.45	27.76	28.09	28.40	28.71	29.03	29.34
1/1/2023	27.08	27.41	27.72	28.04	28.37	28.68	29.00	29.32	29.63

	<u>1/1/2021</u>	<u>1/1/2022</u>	<u>1/1/2023</u>
Maintenance Asst	19.95	20.15	20.35
Cleaner Helper	16.64	16.81	16.98

**SEASONAL, SUBSTITUTE, TEMPORARY & CASUAL EMPLOYEES SALARY SCHEDULE**

<u>1/1/2021</u>	<u>1/1/2022</u>	<u>1/1/2023</u>
16.14	16.30	16.46

The Employer agrees that by the establishment of this new pay plan, that the approximate number of full-time positions on July 1, 1997, shall not be reduced or replaced with part-time positions unless services levels change or contracts are lost. Further, the Employer agrees to assign by seniority at each location as many hours of work as possible consistent with efficient scheduling to maintain the respective status of full-time employees without causing overtime to current employees.

If service levels are reduced or contracts are lost, and it becomes necessary to lay off employees, part-time employees will be laid off first.

## TRAINER PAY

At negotiations for the 2021-2023 agreement, the parties agreed that employees shall be eligible for a \$1.00/hour "trainer pay" increase in their regular pay rate under the following circumstances:

1. The trainer is a full-time dispatcher, part-time dispatcher, full-time driver, or part-time driver;
2. The Employer, in its sole discretion, has selected the trainer to provide the training;
3. The trainer is providing training to either (a) a new hire to Arrowhead Economic Opportunity Agency or (b) another employee reclassifying to a permanent vacancy in a classification for the first time (e.g. if a full or part time driver reclassifies as a full or part time dispatcher, or full or part time dispatcher reclassifies as a full or part time driver);
4. The training is part of a defined, written, training regimen the Employer creates in its sole discretion. The Employer may create, modify, or eliminate training regimens in its sole discretion. As of the effective date of this Agreement (January 1, 2021), the Employer has not yet finalized its defined, written, training regimens. However, it is committed to doing so as soon as practicable.

While the Employer has sole discretion to determine who it will select as trainers, an employee selected as a trainer may refuse to provide training unless that employee is the least senior available trainer the Employer, in its sole discretion, has selected to provide the training.



Your ride.

August 8, 2022

**To:** Local 3594 AFSCME President or Proctor

**From:** Jack Larson, Director, Arrowhead Transit

**CC:** Local 3594 AFSCME Representative  
Brandon Nurmi, Assistant Transit Director  
Colette Hanson, Assistant Transit Director  
Joe Gentile, Assistant Transit Director  
Cathy Pazzelli, Assistant Executive Director

**RE:** Letter of Agreement -Employee Pay Rate

Arrowhead Transit intends to increase the compensation to AFSCME Council No. 65, Local 3594 bargaining unit members by incorporating a 5.95% COLA from September 3, 2022, to December 31, 2022. Arrowhead Transit intends to take this action due to the extremely unusual inflationary pressures, the likes of which have not seen since the late 1970s and early 1980s. We do believe, given these unusual times, this the best solution to retain and recruit employees for our agency while in the middle of our contract.

As such, on September 3, 2022, Arrowhead Transit intends to implement a 5.95% COLA to all AFSCME Council No.65 bargaining unit members as outlined in the LOA attachment. In order to present this COLA increase to the Board of Directors for approval, we must finalize this plan by no later than August 16, 2022. As such, we request that the Union inform us if it (a) agrees to the COLA increase or (b) rejects the COLA increase as soon as possible, but no later than August 15, 2022. If the Union does not respond by that time, we will not be able to implement this COLA increase.

We look forward to hearing from you soon.

Phone: 218.741.0724 / toll-free: 800.862.0175 / fax: 218.741.5715 / [www.arrowheadtransit.com](http://www.arrowheadtransit.com)  
702 3rd Avenue South / Virginia, MN 55792

Operated by: Arrowhead Economic Opportunity Agency  
Equal Opportunity Employer and Affirmative Action Agency



Your ride.

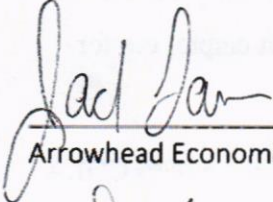
Letter of Agreement - Employees Pay Rate

Arrowhead Economic Opportunity Agency (Employer) and AFSCME Council No. 65, Local 3594 ("Union") (collectively the "Parties") entered into a collective bargaining agreement, effective January 1, 2021-December 31, 2023 ("Current Agreement"), which includes a Pay Plan as Appendix A.

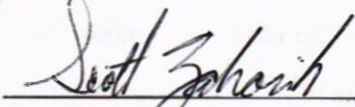
Due to extremely unusual inflationary pressures, the likes of which have not been seen since the late 1970s and early 1980s, the Parties agree that Arrowhead Transit will:

- Increase the compensation for AFSCME Council No.65 bargaining unit members by incorporating a 5.95% COLA into the Pay Plan in the Current Agreement, effective September 3, 2022, through December 31, 2022.
- The following year, 2023, the salary chart will be modified to reflect the 5.95% COLA implemented in 2022.

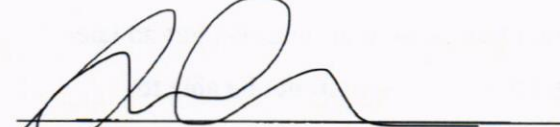
A copy of the new Pay Plan, reflecting the COLA increases, is attached as Exhibit A.<sup>1</sup>

  
\_\_\_\_\_  
Arrowhead Economic Opportunity Agency

8-18-22  
Date

  
\_\_\_\_\_  
Arrowhead Economic Opportunity Agency

8/18/2022  
Date

  
\_\_\_\_\_  
AFSCME Council No. 65 Local 3594

8/15/22  
Date

Tom Whiteside  
\_\_\_\_\_  
AFSCME Council No. 65 Local 3594

8/15/22  
Date

<sup>1</sup> No employee's pay rate existing before the Current Agreement will be decreased because of the Pay Plan in the Current Agreement.

**APPENDIX A  
PAY PLAN**

**FULL TIME DRIVERS SALARY SCHEDULE (Wage updates in red)**

	<u>Start</u>	<u>1040</u>	<u>2080</u>	<u>3120</u>	<u>4160</u>	<u>6240</u>	<u>8320</u>	<u>10400</u>	<u>12480</u>
1/1/2021	17.46	18.01	18.56	19.12	19.67	20.22	20.77	21.32	21.87
1/1/2022	18.68	19.27	19.87	20.46	21.05	21.63	22.23	22.81	23.40
1/1/2023	18.87	19.47	20.06	20.66	21.26	21.85	22.45	23.04	23.64

**PART TIME DRIVERS SALARY SCHEDULE**

	<u>Start</u>	<u>1040</u>	<u>2080</u>	<u>3120</u>	<u>4160</u>	<u>6240</u>	<u>8320</u>	<u>10400</u>	<u>12480</u>
1/1/2021	16.46	17.01	17.56	18.12	18.67	19.22	19.77	20.32	20.87
1/1/2022	17.61	18.20	18.80	19.39	19.98	20.56	21.16	21.74	22.33
1/1/2023	17.78	18.38	18.98	19.58	20.18	20.77	21.37	21.96	22.56

**FULL TIME DISPATCHER SALARY SCHEDULE**

	<u>Start</u>	<u>1040</u>	<u>2080</u>	<u>3120</u>	<u>4160</u>	<u>6240</u>	<u>8320</u>	<u>10400</u>	<u>12480</u>
1/1/2021	18.56	19.12	19.67	20.22	20.77	21.32	21.87	22.43	22.98
1/1/2022	19.87	20.46	21.05	21.63	22.23	22.81	23.40	24.00	24.59
1/1/2023	20.06	20.66	21.26	21.85	22.45	23.04	23.64	24.24	24.84

**PART TIME DISPATCHER SALARY SCHEDULE**

	<u>Start</u>	<u>1040</u>	<u>2080</u>	<u>3120</u>	<u>4160</u>	<u>6240</u>	<u>8320</u>	<u>10400</u>	<u>12480</u>
1/1/2021	17.56	18.12	18.67	19.22	19.77	20.32	20.87	21.43	21.98
1/1/2022	18.80	19.39	19.98	20.56	21.16	21.74	22.33	22.93	23.52
1/1/2023	18.98	19.58	20.18	20.77	21.37	21.96	22.56	23.16	23.76

**MECHANIC SALARY SCHEDULE**

	<u>Start</u>	<u>1040</u>	<u>2080</u>	<u>3120</u>	<u>4160</u>	<u>6240</u>	<u>8320</u>	<u>10400</u>	<u>12480</u>
1/1/2021	26.56	26.87	27.18	27.49	27.81	28.12	28.43	28.74	29.05
1/1/2022	28.42	28.75	29.08	29.41	29.76	30.09	30.42	30.76	31.09
1/1/2023	28.70	29.04	29.37	29.71	30.06	30.39	30.72	31.06	31.40

	<u>1/1/2021</u>	<u>1/1/2022</u>	<u>1/1/2023</u>
Maintenance Asst	19.95	21.35	21.56
Cleaner Helper	16.64	17.81	17.99

**SEASONAL, SUBSTITUTE, TEMPORARY & CASUAL EMPLOYEES SALARY SCHEDULE**

	<u>1/1/2021</u>	<u>1/1/2022</u>	<u>1/1/2023</u>
	16.14	17.27	17.44

The Employer agrees that by the establishment of this new pay plan, that the approximate number of full-time positions on July 1, 1997, shall not be reduced or replaced with part-time positions unless services levels change or contracts are lost. Further, the Employer agrees to assign by seniority at each location as many hours of work as possible consistent with efficient scheduling to maintain the respective status of full-time employees without causing overtime to current employees.

If service levels are reduced or contracts are lost, and it becomes necessary to lay off employees, part-time employees will be laid off first.