2019 - 2021

AGREEMENT

BETWEEN

THE CITY OF VERMILLION

AND

AFSCME LOCAL 1052

of

THE DAKOTAS PUBLIC EMPLOYEES UNION

AFSCME COUNCIL #65, AFL-CIO

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AGREEMENT

This Agreement entered into by the City of Vermillion, South Dakota hereinafter referred to as the "City" and Local 1052, Council # 65 of the American Federation of State, County and Municipal Employees, AFL-CIO, hereinafter referred to as the "Union", has as its purpose the promotion of harmonious relations between the City and the Union; the establishment of an equitable and peaceful procedure of the resolution of differences; and the establishment of rates of pay, hours of work, and other conditions of employment, and to provide for the operation of the services provided by the City under methods which will further, to the fullest extent possible, the safety of the employees, economy, and efficiency of operation, elimination of waste, realization of maximum quantity and quality of output, cleanliness, protection of property, and avoidance of interruption of providing City services.

ARTICLE I RECOGNITION

Section 1.1: Recognition:

Pursuant to an election held April 27, 1981, the City recognizes the Union as the formal and exclusive representative for the purpose of establishing salaries, rates of pay, wages, hours, and other conditions of employment for all employees of the City of Vermillion, South Dakota except the following: police, fire, ambulance, library, Department Heads, supervisors, professional, confidential, part-time, and seasonal employees.

Section 1.2: Part-time and Seasonal Defined:

Part-time employees are defined as employees working throughout the year but for less than 1,400 hours per calendar year. During the calendar year, a part-time employee shall not be considered full-time and therefore not eligible for paid holidays, vacation, sick leave, or other paid leaves of absence unless the employee consistently works over thirty-one (31) hours per week for seven (7) months. Seasonal employees are defined as employees hired for full-time work for less than five (5) months and are not eligible for paid holidays, vacations, sick leave, or other paid leaves of absence.

Section 1.3: Probationary Employees:

A probationary employee is defined as a new employee who is serving a trial period set by the City to determine his/her ability to handle the job assigned. A probationary employee may be terminated at any time during the probationary trial period if the employee's supervisor believes the employee's work is unsatisfactory, subject to approval by the Department Head. A probationary employee does not enjoy the rights and benefits of these regulations until the employee is taken off probation by the supervisor. The supervisor may extend the employee's probationary trial period. The total of the employee's trial periods shall not exceed five (5) months.

Section 1.4: Full-time Employee Defined:

A full-time employee is defined as an employee regularly working forty (40) hours per week, which is not excluded from the bargaining unit by this contract. Full-time employees working less than forty (40) hours per week shall receive holiday, vacation, and sick leave in a proportionally reduced amount.

ARTICLE II CHECKOFF

Section 2.1: Deduction by City:

The City agrees to deduct the uniform monthly union membership dues from the pay of those employees who individually request, in writing, that such deductions be made. The amounts to be deducted shall be certified by the City, by the Treasurer of the Union, and the aggregate deductions of all employees shall be remitted together with an itemized statement, to the Treasurer by the 15th of the succeeding month after such deductions are made. All deductions shall be made on or about the 15th day of each month.

Section 2.2: Termination of Deduction:

Employees may terminate check off upon thirty (30) days written notice to the Union Treasurer, the City Manager, and the Finance Officer.

Section 2.3: Indemnification of the City:

The Union will indemnify, defend, and hold the City harmless against any claims made, and against any suits instituted against the City on account of payroll deduction of Union dues. The Union agrees to refund the City any amounts paid to it in error on account of the payroll deduction provision upon presentation of proper evidence thereof.

ARTICLE III MANAGEMENT RIGHTS

Section 3.1: Management Rights:

The City hereby retains and reserves to itself, all powers, rights, authority, duties, and responsibilities conferred upon and vested in it by the laws and Constitution of the State of South Dakota and of the United States, the City Charter, the Ordinances of Vermillion, and any resolution passed by the Governing Body of the City of Vermillion. Further, all rights, which ordinarily vest in and are exercised by employers, are reserved and remain vested in the City, except as modified by this Agreement, including, but not limited to, the foregoing rights:

- A.Manage its affairs efficiently and economically.
- B.Decide the types of services the City shall provide and quantity and quality of the services to be rendered, including the scheduling and means of providing such services, and to study and/or introduce new and improved methods, facilities, and equipment.
- C.Determine the methods, means, and personnel by which the operations of the City are to be conducted, including the right to contract and subcontract existing and future work.
- D.Determine the number, types, and grades of positions or employees assigned to an organizational unit, department, or project.
- E. Determine the qualifications and competency of employees to perform available work
- F. Hire, evaluate, promote, transfer, schedule, assign, and retain employees in positions with the City.
- G.To assign employees to different work duties or locations to meet staffing shortages or emergency situations.
- H.Establish, change, combine, or discontinue job classifications, and prescribe and assign job duties, content and classification, and to establish wage rates for and new or changed classification.
- I. Suspend, demote, discharge, or take other disciplinary action against employees for just cause.
- J. Relieve employees from duties because of lack of work, funds, or other legitimate reasons.
- K.Make such reasonable rules and regulations not in conflict with this Agreement, as the City may deem best for the purpose of maintaining order, safety, and/or effective operations.
- L. The parties agree that some of the management rights of the City are specifically listed herein, but nevertheless, all historical rights of the City not herein listed, are retained by the City, and the Union further agrees that the City's exercise of its enumerated management rights is not grievable.

ARTICLE IV NO STRIKING DURING THE TERM OF AGREEMENT

Section 4.1: Union Agrees Not to Strike; Loss of Representation Status:

The Union and its members, individually and collectively, agree not to engage in, encourage, or sanction any strikes, work slow down, or mass absenteeism for the purpose of inducing, influencing, or coercing a change in the conditions of compensation or conditions of employment. In the event of an unauthorized strike, work slow down, or mass absenteeism, the City agrees that there will be no liability on the part of the Union provided the Union promptly and publicly disavows such unauthorized strike, orders the

employees to return to work, and attempts to bring about a prompt resumption of normal operations, and provide further that the Union notifies the City, in writing, within twenty-four (24) hours after the commencement of such strike, what measures it has taken to comply with the provisions of this Article. In the event that such action by the Union has not affected resumption of normal work practices, the City shall have the right to discipline, by way of discharge, or otherwise, any employee who participates in such strike, work slow down, or mass absenteeism.

Section 4.2: Election in the Event of Strike:

At such time as a majority of the employees in the bargaining unit employed at the time of initiation of the work stoppage or a strike have been discharged in accordance with Section 4.1, there shall be an election to determine whether the majority of the employees in the bargaining unit desire to be represented by the Union. This election shall be administered by the South Dakota Department of Labor in accordance with its rules except that the election shall be automatic and no authorization shall be necessary.

ARTICLE V HOURS OF WORK

Section 5.1: Regular Hours:

The regular hours of work each day shall be consecutive, except for interruptions for lunch periods, which shall not exceed one (1) hour. References to consecutive hours of work in the balance of this Article shall be construed generally to include lunch periods.

The City Manager may close City facilities at noon on December 24th. In this situation, any time after noon would not be considered a paid holiday. Employees will need to utilize personal leave, vacation time, comp time or leave without pay during the time from the start of the noon closure until the end of their designated work shift. The City Manager will notify the Union on or before October 1 of any year of the agreement where city facilities will close at noon on December 24.

Section 5.2: Work Week:

The normal workweek shall consist of five (5) consecutive eight (8) hour days, Monday through Friday, inclusive except for employees in departments that operate outside the Monday through Friday time period (currently this is the landfill, recycling, water and wastewater departments). Full-time employees shall normally be provided forty (40) hours of work a week unless the City must lay off employees due to changes in duties or organization or lack of funds.

Section 5.3: Work Shift:

Eight (8) consecutive hours of work shall constitute a normal work shift. All employees shall be scheduled to work on a regular work shift, and each work shift shall have a regular starting and quitting time.

Section 5.4: Work Schedule:

Work schedules showing the employee's shifts, work days, and hours shall be posted on all department bulletin boards at all times. The City Manager may change, upon twenty-four (24) hour notice, work schedules to meet conditions such as rotation of shifts, vacations, leaves of absence, weekend and holiday duty, absenteeism, employee requests, temporary shortage of personnel, emergencies, and the needs of the public service. No employee will receive pay for any time missed due to inclement weather.

Section 5.5: Continuous Operations:

Employees engaged in continuous operations are defined as being any employee, or group of employees, engaged in an operation for which there is regularly scheduled employment for twenty-four (24) hours a day, seven (7) days a week. The workweek for employees engaged in continuous operations shall consist of five (5) consecutive eight (8) hour days.

Section 5.6: On Call:

Employees required to be "On Call", that is being available at a place designated by the employee for a designated period of time, shall be compensated at the rate of one (1) hour straight time pay for every week day "On Call" and three (3) hours straight time pay for each Saturday, Sunday, or holiday "on call". Employees called out shall be paid at the appropriate rate for hours worked in addition to "on call" pay.

Section 5.7: Compensatory Time:

In lieu of overtime compensation, compensatory time off may be given at a rate not less than one and one-half hours for each hour of employment for which overtime compensation is required. An employee, who has requested the use of such compensatory time, shall be permitted by the employer to use such time within a reasonable time after making the request if the use of the compensatory time does not unduly disrupt the operations of the department.

If the work of an employee for which compensatory time may be provided included work in a public safety activity, an emergency response activity, or a seasonal activity, the employee engaged in such work may accrue not more than 480 hours of compensatory time. If such work was any other work, the employee engaged such may accrue not more than 240 hours of compensatory time.

If compensation is paid to an employee for accrued compensatory time off, such compensation shall be paid for the regular rate earned by the employee at the time the employee receives such payment.

An employee who has accrued compensatory time off that is authorized to be provided shall, upon termination of employment, be paid for the unused compensatory time at a rate of compensation not less than the average regular rate received by such employee during the last three (3) years of the employee's employment or the final regular rate received by such employee whichever is higher.

If an individual agrees, with the approval of the public agency and solely at the option of such individual, to substitute during scheduled work hours for another individual who is employed by such agency in the same capacity, the hours such employee worked as a substitute shall be excluded by the public agency in the calculation of the hours for which the employee is entitled to overtime compensation.

ARTICLE VI REST PERIODS

Section 6.1: Duration, Frequency, and Location:

Employees may take two (2) fifteen (15) minute rest periods each workday at the convenience of their Department Head. Whenever possible, a rest period shall be scheduled at, or near, the middle of each one-half (1/2) of a workday. Employees required to work beyond their normal quitting time shall be granted additional rest periods wherever feasible. Rest period shall be taken as close to the work site as is practical.

Section 6.2: Lunch Period:

Employees may be allowed a one (1) hour lunch period, whenever feasible the lunch period will be taken at, or near, the middle of the workday. Employees shall receive no pay for their lunch period. The City Manager may allow one-half (1/2) hour lunch period provided, in his opinion, the needs of the City are being met. Flexible scheduling is the sole determination of the City Manager.

Section 6.3: Clean up:

A supervisor may grant to an employee up to fifteen (15) minutes for a personal cleanup period prior to the end of the work shift when the nature of the work requires such cleanup. Such grant of a cleanup period shall not be considered automatic, but shall be made on the basis of the work done each day.

ARTICLE VII HOLIDAYS

Section 7.1: Holidays Defined:

The following days shall be recognized and observed as paid holidays:

New Year's Day (January 1)
Presidents Day (3rd Monday in February)
Memorial Day (Last Monday in May)
Independence Day (July 4)
Labor Day (1st Monday in September)
Native American Day/Columbus Day (2nd Monday in October)
Veterans Day (November 11)
Thanksgiving Day (4th Thursday in November)
Christmas Day (December 25)
and all holidays declared by the City Council.

In addition to the above named holidays, floating holiday(s) may be taken at the option of the employee with one day's notice in minimum increments of one-half (1/2) day for any reasons including, but not limited to the following: voting, funeral leave, religious holidays, and so forth. The City may limit the number of employees taking the floating holiday at the same time in order to maintain City services. Two (2) floating holidays of the employee's choice with the conditions listed in this article. During the calendar year employment begins, the following conditions apply. Employees hired between January 1 and June 30 would receive two (2) floating holidays. Employees hired between July 1 and September 30 would receive one (1) floating holiday. Employees hired between October 1 and December 31 will receive no floating holidays during the year employment begins. If denial is made, written reasons will be given.

Eligible employees shall receive one (1) day's pay for each of the holidays listed above on which they perform no work. Whenever any of the holidays listed above shall fall on Saturday, the preceding Friday shall be observed as the holiday. Whenever any of the holidays listed above shall fall on Sunday, the succeeding Monday shall be observed as the holiday.

Section 7.2: Absence on Holiday:

Any employee who is absent without leave on the working day immediately preceding or immediately following a holiday shall not be paid for that holiday. If a holiday is observed on an employee's scheduled day off, or during his vacation, he shall be paid for the un-worked holiday.

Section 7.3: Holiday Pay:

In the event that an employee works on a holiday, the employee shall have the option of receiving compensation, as provided above or of taking compensation time. The time selected to take compensatory time shall be mutually agreed to. The time will be awarded on the same basis as pay is given. The employee must indicate his desire for compensatory time at the end of his first regular shift following the holiday. If the employee does not so indicate, then he shall be paid according to Paragraph 1 of this section.

Section 7.4: Holiday for Overtime Purposes:

For the purpose of computing overtime, all holiday hours (worked or un-worked) for which an employee is compensated shall be regarded as hours worked.

ARTICLE VIII VACATIONS

Section 8.1: Vacation Days Earned:

Every employee shall be eligible for paid vacation after fifteen (15) weeks service with the City regardless of the employee's probationary status. Employees shall start to earn vacation allowances as of their date of hire. Vacation allowances shall be earned annually based on the following schedule:

Vacation Accumulation Schedule			Maximum Vacation Accumulation
0-1	Year of service	48 hours	72 hours
2-5	Years of service	96 hours	144 hours
6-10	Years of service	120 hours	180 hours
11-15	Years of service	144 hours	216 hours
16-20	Years of service	160 hours	240 hours
21	Years of service	168 hours	252 hours
22	Years of service	176 hours	264 hours
23	Years of service	184 hours	276 hours
24	Years of service	192 hours	288 hours
25	Years of service	200 hours	300 hours

Section 8.2: Vacation Pay:

The rate of vacation pay shall be the employee's regular straight time rate. An employee that regularly works Saturday or Sunday at time and one-half (1 ½) will receive straight time pay when on vacation.

Section 8.3: Schedule:

Vacations shall be granted at the time requested by the employee provided that advanced notice is given. The total number of working days advance notice given shall equal the number of vacation days requested. If the nature of the work makes it necessary to limit the number of employees on vacation at the same time or in the event of a conflict over vacation periods, the employee with the greater seniority shall be given his choice of vacation period. Vacation leave may be accumulated until such time as the total accumulation reaches one and one-half (1 ½) times the number of days that may be accumulated in a year. (See chart above) If an employee contracts an illness or injury while on vacation, he shall be entitled to convert such vacation leave to sick leave pay upon certification of such illness or injury by a doctor provided such illness is incapacitating.

Section 8.4: Vacation Call Back:

Employees called back to work from vacation leave due to emergency conditions shall be paid, in addition to their vacation pay, for the actual time worked at their regular rate of pay, or may receive equal compensatory time off at the mutual convenience of the employee and the City.

Section 8.5: Compensation on Separation:

Any regular employee who is involuntarily separated from the service of the City for any reason, except conviction of a felony prior to taking his vacation, shall be compensated for the unused vacation he has accumulated up to the maximum allowable at the time of separation. Any regular employee who voluntarily terminates service to the City must give fourteen (14) days notice to the City of such termination before using the accrued vacation leave or receiving compensation for the unused vacation upon separation.

Section 9.1: Definition:

Sick leave shall be for the purpose of permitting an employee to be relieved of his duties during actual disabling illness, injury, illness in the employee's immediate family, or as provided in Section 9.6 and may not be used under any other circumstances. Employees who use their sick leave, without just cause, will be disciplined. Any employee may be required to furnish a signed statement from a licensed physician attesting to any illness of such employee for which sick leave is used and that such illness is disabling. Employees absent from work due to claimed illness, or otherwise, shall inform their immediate supervisor of such absence prior to their starting time. For family sick leave, immediate family means husband, wife, son, daughter, father or mother, son-in-law, daughter-in-law, mother-in-law or father-in-law, living with employee.

Section 9.2: Accrual Rate:

For employees who have completed less than ten (10) years of service, sick leave shall be accrued at the rate of ten (10) hours for each month's service, for a total of 120 hours each year of employment and may be accumulated to a maximum of 850 hours. Employees with more than ten (10) years of service shall accrue sick leave at the rate of fifteen (15) hours for each month's service for a total of 160 hours each year of employment and may be accumulated to a maximum of 1700 hours. Sick leave shall be accumulated, but shall not be granted to any employee during the first sixty (60) days of his/her initial probationary period.

Section 9.3: One-Hour Increments:

Sick leave is accrued and charged in periods of one hour.

Section 9.4: Family Medical Leave Act:

The Family and Medical Leave Act of 1993 (FMLA) guarantees the right of eligible employees to take up to a total of twelve (12) weeks of leave per year, either in one continuous absence or on an intermittent basis, for one or more of the following reasons: (a) Upon the birth of the employee's child. (b) Upon the placement of a child with the employee for adoption or foster care. (c) When the employee is needed to care for a child, spouse, or parent who has a serious health condition. (d) When the employee is unable to perform the functions of his or her position because of a serious health condition. For any FMLA-qualifying purpose, employees are required to use their accrued applicable sick leave and then annual leave consistent with the leave provisions in this agreement. If employees feel that they need additional time off, any additional weeks of leave necessary to attain the twelve (12) work weeks will be available without pay.

9.4.1 Definitions:

Child is defined as an adopted child, a foster child, stepchild, ward or other person who is under age 18 or over 18 but incapable of self-care because of a mental or physical disability and of whom the employee has custody.

12-month period is defined as the calendar year commencing with the first day of occurrence.

Serious health condition is defined as an illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, or residential medical care facility, or continuing treatment by a doctor.

Health care provider is defined as a doctor of medicine or osteopathy who is authorized to practice medicine or surgery by the State of South Dakota or any person determined by the US Secretary of Labor to be capable of providing health care services.

9.4.2 Eligible Employees:

To be eligible for absence under the FMLA, the employee must have been continuously

employed by the City for a twelve (12) month period immediately preceding his/her request for absence, and during that 12-month period have worked at least 1,250 hours.

9.4.3 Notice:

Employee is required to provide the employer with 30-day notice of absence when it can be reasonably foreseen. When circumstances prevent the employee from giving 30 days notice, employee must make a reasonable effort to schedule treatment so as not to unduly disrupt employer's operations. When the employee is absent for a period of three (3) workdays, the Department Head will recommend that the employee be placed on FMLA. For known and/or traumatic medical conditions, FMLA will begin on the first day of occurrence. For recurring health problems (i.e. migraines), FMLA will run concurrently with the absence of the employee. FMLA is guaranteed to the employee for a period of twelve (12) weeks in a twelve-month period. Once FMLA leave has been exhausted, the City may terminate the employee.

9.4.4 Certification:

When required by the Department Head or designated representative, requests for leave, due to a serious medical condition of the employee or qualified member of employee's family, shall be verified by the certification of a qualified health care provider. For an employee to return to work after a serious medical condition, the employee must present a health care provider's return to work certification prior to being reinstated. An employee's return to work may be delayed until such certification is received.

9.4.5 Effects of Pay and Benefits:

During the term of unpaid family or medical leave, no pay or other benefits shall accrue, with the exception of any group health and dental benefits that were in effect at the time of commencement of such leave or new group health or dental benefits which are provided by the employer during the FMLA leave. Group health and dental insurance shall be continued in force for the duration of family or medical leave and the City shall continue to pay that portion of benefits normally paid by the employer. The employee must be reinstated to the same or an equivalent job on their return from leave. If the employee does not return to work following FMLA/CFRA leave for a reason other than: (1) the continuation, recurrence, or onset of a serious health condition which would entitle the employee to FMLA/CFRA leave; or (2) other circumstances beyond the control of the employee, the employee shall be responsible for repayment of any employer paid premiums during the unpaid portion of the absence. In such instances, the employee must provide, in a timely manner, a certification by a health care provider attesting to his/her inability to return to active employment.

9.4.6 Failure to Return to Work:

Failure of the employee to return to active City employment upon the expiration of the maximum twelve (12) weeks of leave provided under this section (to include any paid vacation or sick leave that may have been taken in conjunction with the absence) will be considered a voluntary resignation.

9.4.7 Effects of Seniority:

During any FMLA leave, the employee shall remain on the seniority list and continue to accrue seniority.

9.4.8 Effects on Reemployment and Other Rights:

Upon expiration of a duly authorized absence under this section, the employee shall be reinstated to the same position held at the time such leave commenced unless the medical condition requires another accommodation to be made due to an on-going physical or mental condition. If such condition exists, the City shall make a reasonable effort, but will not guarantee that a position will be available. No employee shall be interfered with, discriminated against,

disciplined, or otherwise restrained from exercising his/her rights under FMLA.

Section 9.5: Discontinuance:

After an employee's accumulated sick leave has been exhausted, unused vacation leave shall be used. When absence due to illness exceeds the amount of paid leave earned and authorized, the pay of the employee shall be discontinued until he returns to work.

Section 9.6: Pregnancy:

Accumulated sick leave, vacation leave, and family leave may be applied to pregnancy. (See Maternity Leave)

Section 9.7: Compensation on Separation:

On separation from the service of the City for other than just cause, regular, non-probationary employees with five (5) or more years of service, shall be paid for accumulated sick leave up to the maximum limits set hereinafter in this section. Employees shall have their accumulated sick leave added to their accumulated vacation at the rate of eight (8) hours for each twenty-four (24) hours of accumulated sick leave, and shall be paid for all unused vacation leave on separation.

This schedule of compensation on separation shall apply only to an accumulation of up to 720 hours for the employee with ten (10) or less years of service and 760 hours for the employee with more than ten (10) years of service. Any employee who voluntarily terminates employment without fourteen (14) days advanced notice to the City shall not be eligible for accumulated sick leave payment. Employees shall receive their sick leave compensation with their final paycheck or through the South Dakota Retirement System (SDRS) Special Pay Plan.

Any employee terminated for just cause shall not be eligible for unused sick leave pay. The second time during a twelve consecutive month period an employee takes sick leave without a physician's statement the day before or after a holiday, or the day before or after the two non- working days of the week, it shall count as twenty-four (24) hours sick leave taken.

Section 9.8: Injury Leave:

Subject to paragraphs A and B below, an employee injured in the course of his/her City employment shall be granted injury leave during his/her period of disability, not charged against his/her sick leave or vacation leave. During such injury leave, the City shall pay such employee his/her full pay. Notwithstanding the length of the employee's period of actual disability, the total time allowed for such leave shall not exceed seven (7) calendar days. If the employee is unable to return to work at the end of the allotted time, he/she may supplement Workmen's Compensation benefits for lost time by sick leave pay or vacation leave pay at his/her option.

- A.Injury leave will be granted for any injury compensable under Workmen's Compensation provisions. Injury leave will not be granted for injuries received while on the way to or from work, unless allowed under the Workmen's Compensation.
- B.An employee who is able to, but fails to, immediately report any injury incurred in the line of duty, however minor, to his/her Department Head and take such first aid treatment as may be necessary, shall not be eligible for injury leave.
- C.If recovery is not complete after all leave time has been used, including sick leave and vacation, the employee shall be granted a leave of absence without pay until such time as a physician certifies that the employee is physically capable of performing his/her job. Employment may be terminated by the City after twelve (12) weeks absence in one (1) year as provided for in FMLA.

LEAVES OF ABSENCE

Section 10.1: Requests:

Regular employees may request leaves of absence. All requests for such leaves shall be submitted in writing to the employee's Department Head, who will recommend appropriate action to the City Manager. Leaves of absence granted by the City Manager shall not count against any accrued leaves. Employees on leaves of absence shall not lose their seniority.

Section 10.2: Jury Leave:

Employees who are duly summoned to render services or court leave shall receive the difference, if any, between their regular pay and the compensation they receive for such service. Should the employee receive more in jury pay than City pay, the employee shall retain the difference.

Section 10.3: Maternity Leave:

Employees required to ask for maternity leave shall do so in writing to the City Manager as soon as possible after pregnancy is determined. The FMLA guidelines contained in Section 9.4 and the City of Vermillion Personnel Policies shall apply. Failure to do so shall be considered a breach of the employee's responsibilities. The Department Head may, at any time, require a statement from the employee's physician to the effect that continued employment will not be detrimental to her physical condition and that her health, and that of her child, would not be endangered by continued employment. Failure to furnish such a statement on request will be grounds for disciplinary action. Maternity leave will be governed under the FMLA and may be granted for up to twelve (12) weeks at the employee's request, but shall, in no case, be extended. At the end of the term of the leave of absence, the employee may return to work. She shall, at that time, be required to furnish a statement from her physician to the effect that her physical condition permits the resumption of regular employment without endangering her health.

Section 10.4: Military Leave:

An employee of the City who is called to active duty with the Armed Forces of the United States will be granted a leave of absence and shall be re-employed in the department in which he/she was employed at the time of his/her departure, upon the condition that he/she is physically and mentally suited to perform the required duties. Applications for re-employment must be made in writing to the City Manager within ninety (90) days of his/her release from active duty. Failure to submit written application within ninety (90) days of release from active duty will be considered to be a voluntary resignation. Seniority credits, vacation, and sick leave shall not accrue during the term of absence. An employee who is a member of the National Guard or a branch of the Armed Forces Reserve shall be entitled to a military leave of absence when ordered by proper authority to duty for exercises or instructions for a period not to exceed fifteen (15) working days and shall receive the difference between City and that of the Armed Forces pay for the period of military leave. However, should such duty exceed fifteen (15) calendar days in one year, such employee shall be considered on leave of absence without pay for days in excess of fifteen (15) calendar days.

Section 10.5: Special Leave:

Special leave, with pay, may be granted to attend professional conferences, conventions, seminars, short schools, training sessions, or to visit other cities in the interest of the City.

Section 10.6: Funeral Leave:

An employee shall be entitled to take three (3) scheduled workdays, with pay, for a death in the employee's immediate family.

For funeral leave, immediate family means husband, wife, son, daughter, father, mother, brother, sister, father-in-law, mother-in-law, son-in-law, daughter-in-law, grandfather, grandmother, grandchildren, aunts and uncles.

Section 10.7: Union Leave:

Union leave, without pay, for periods not to exceed ten (10) working days will be granted, except in emergencies, to the union president or the union secretary or the union treasurer or the union president's designee selected to participate in union activities.

Section 10.8: Extended or Emergency Leave:

Extended or emergency leave of absence without pay may be granted to any employee on recommendation of his/her Department Head and approval of the City Manager after completion of one years' service.

Section 10.9: Return to Work:

Employees granted a leave of absence pursuant to Sections 10.2, 10.3, and 10.5 through 10.8 of this article, and subject to the provisions in Section 9.4, shall be returned to the positions held at the time leave commenced unless otherwise specifically provided for at the time leave is granted.

ARTICLE XI WAGES

Section 11.1: Wage Schedule:

Employees shall be compensated in accordance with the wage schedule attached to this agreement and marked Appendix "A". The attached wage schedule shall be considered a part of this agreement.

Step increases are based on the performance of an employee documented in a performance evaluation and the financial ability of the City to provide for the increase. Department Heads will be encouraged to complete an annual evaluation. It is reasonable to expect that if an employee has consistently had and continues to have good performance evaluations a step increase will take place during the length of this agreement. A step increase each year is not guaranteed by this agreement.

Section 11.2: Job Classification:

When any position not listed on the wage schedule is established, the City may designate a job classification and rate structure for the position. In the event the Union does not agree that the classification and rate are proper, the Union shall have the right to submit the issue as a grievance at Step III of the grievance procedure.

Section 11.3: Pay Periods:

The salaries and wages of employees shall be paid every two (2) weeks. From the beginning of work or the beginning of the year until the last paycheck during employment or the end of the year, the paycheck will be behind one week of work performed. In the event a payday falls on a holiday, the preceding day shall be the payday. In the event a payday falls on a weekend, the preceding Friday shall be the payday. Employees are encouraged to use automatic deposit. All new hires will be required to use automatic deposit.

Section 11.4: Shift Differential:

In addition to the established wage rates, the City shall pay an hourly shift differential of \$.75 per hour to employees for all hours worked on regular shifts between 6:00 p.m. and 7:00 a.m. or any hours worked on a Saturday or Sunday that are not classified as overtime hours. Effective January 1, 2020 the City shall pay an hourly shift differential of \$1.00 per hour to employees for all hours worked on regular shifts between 6:00 p.m. and 7:00 a.m.

Section 11.5: Bond Deductions:

Upon written request by the employee to the appropriate city official, the City will withhold from the employee's paycheck the requested amount of money to be invested in U.S. Government Savings Bonds in accordance with the provisions of the service known as "The Payroll Savings Plan".

Section 11.6: Leave Accumulation Notice:

All accumulated, unused sick leave and vacation shall be posted on each employee's check every three months.

ARTICLE XII REPORT AND CALL TIME

Section 12.1: Reporting Outside Regular Shift:

Any employee called to work outside of his regular scheduled shift shall be paid for a minimum of two (2) hours at the rate of time and one-half $(1 \ 1/2)$. Hours worked in excess of two (2) hours outside the regular work shift shall be paid for at the rate of time and one-half $(1 \ 1/2)$.

Section 12.2: Overlap:

If the call time work assignment and the employee's regular shift should overlap, the employee shall be paid the call time rate of time and one-half (1 1/2) for two hours, or until the regularly scheduled shift begins. The employee shall then be paid the balance of his/her regular work shift at the appropriate rate provided, however, that there shall be no pyramiding of pay and no one shall be paid under two (2) different sections of the contract time worked.

The following example is provided for clarification:

If an employee were called into work early at 7:00 a.m., when the regularly scheduled work shift begins at 8:00 a.m., the first hour of work would be paid at time and one-half (1 1/2). Starting at 8:00 a.m., the employee would receive straight time. If asked before 5:00 p.m. to work until 6:00 p.m., then the employee would receive time and one-half (1 1/2) for one (1) hour. If called back to work at 5:15 p.m. to work less than two (2) hours, the employee would receive two (2) hours at time and one-half (1 1/2).

ARTICLE XIII OVERTIME

Section 13.1: Definition and Rate:

Time and one-half (1 ½) the employee's regular hourly rate of pay shall be paid for work under any of the following conditions, but compensation shall not be paid twice (2) for the same hours.

All hours performed in excess of forty (40) hours in any workweek.

All hours performed outside the employee's regular work shift.

All hours worked on a holiday.

Section 13.2: Distribution:

Overtime work shall be distributed as equally as possible among all employees provided the eligible employee is capable of performing the work. Employees within a department shall be given the first opportunity to work overtime for that department, if feasible. Upon request from the union, a record of overtime hours worked by each employee shall be provided to the union. Any employee may grieve the distribution of overtime if the employee believes he/she has not been given equal opportunity to accept overtime work.

Section 13.3: Performance of Overtime:

Overtime work shall be voluntary except, when in the sole discretion of the City Manager, an emergency exists which threatens life or property. There shall be no discrimination or disciplinary action against any employee who declines to work overtime when an emergency does not exist. During an emergency, an employee will be excused from the City's call to work only for a legitimate absence from work specified in the contract. All overtime work must first be approved and directed by the supervisor.

ARTICLE XIV SENIORITY

Section 14.1: Definition:

Seniority means an employee's length of continuous service with the City since his/her last date of hire for full-time employment.

Section 14.2: Listing:

The City agrees to furnish the Union a list of the employees covered under the provisions of this agreement, showing the names of all employees in the order of their seniority ranking, on or before January 15th of each year. The City will furnish an updated list during the year when requested by the Union. Protests of errors in or omissions from seniority lists must be made to the City within thirty (30) days from the date of the first furnishing of the list. The union shall be responsible for posting the list on bulletin boards.

Section 14.3: Loss of Seniority:

An employee's continuous service record or seniority shall be broken by voluntary resignation, discharge for just cause, and retirement. If an employee who terminated with sufficient advance notice returns to work in any capacity within one (1) year, sick leave and vacation rights shall not be affected as it relates to the rate of accumulation benefits. There shall be no deduction from continuous service for any time lost which does not constitute a break in continuous service.

Section 14.4: Layoff and Return:

Employees may be laid off when necessary due to changes in duties or organization or lack of work or funds upon two (2) weeks notice in writing. Seasonal, part-time, and probationary employees shall be laid off first. Regular employees shall be laid off in reverse order of their seniority; provided the remaining employees can do the available work and the order of such layoff shall be at the discretion of the City.

Employees laid off shall be returned to work according to their seniority provided they can perform the available work. No new employees shall be hired in the department until all the employees on layoff status, who have the ability to perform the work and after a normal trial period of thirty (30) days, have been returned to work. Employees being returned to work will be notified in writing of their return and must report to work within fourteen (14) working days of such notification. Failure to report within the specified time will be considered voluntary resignation.

Section 14.5: Transfers:

Regular employees displaced by the elimination of jobs may request transfers to other open positions within their class section. Approval of the transfer shall be made by the City Manager based on seniority and the ability to perform the available work.

ARTICLE XV PROMOTIONS AND TRANSFERS

Section 15.1: Definition:

The term promotion, as used in this provision, means the advancement of a full-time employee to a higher paying position. Whenever a job opening occurs, other than a temporary opening as defined below in an existing job classification or as a result of the development or establishment of new job classifications, notice of such openings describing the position shall be posted on all department bulletin boards for five (5) working days. During this period, full-time employees interested in applying for the open position or job, including employees on layoff, may do so.

Section 15.2: Application:

The application shall be in writing and it shall be submitted to the City Manager. The City Manager shall fill the opening by promotion among the applicants the employee with the longest continuous service provided he/she has the ability, skill, experience, and physical fitness to do the work.

The City Manager shall determine when a position is vacant and when it will be filled. If the City Manager determines that a position shall remain vacant, he/she shall notify, in writing, to the Union of this decision within five (5) working days of this decision.

If it should become necessary in making a promotion to bypass an employee's seniority, reasons for said denial shall be given in writing to the employee with a copy to the Union. If the City is unable to fill a vacancy by promotion, it may hire from outside the union or a new employee.

Section 15.3: Trial Period:

A promoted employee shall be granted a sixty (60) work day trial period to determine:

A.His/her ability to perform the job.

B. His/her desire to remain on the job.

During the sixty (60) day trial period, the employee shall have the opportunity to revert to his/her previous position. If the employee is unsatisfactory in the new position, in the opinion of the City Manager, notice and reasons will be submitted to him/her in writing by the City Manager with a copy to the Union. During the trial period, the employee shall receive no increase in pay until satisfactory completion of the trial period.

Section 15.4: Change in Pay:

Promotions:

- A.When an employee in one classification is promoted to a position in a higher paying classification and his current rate of pay is less than the minimum rate for a new position, it shall be increased to the new minimum rate.
- B. When an employee in one classification is promoted to a position in a higher paying classification and his current rate of pay is between steps in the salary range of the new position, it shall be increased to the next step.

Transfers

A.When an employee in one classification voluntarily requests a transfer to a position in a lower paying classification, and his current rate of pay exceeds the maximum rate for the new position, it shall be reduced to the new maximum rate of the new position.

Section 15.5: Request for Transfer:

Regular employees may request transfers to any vacant positions they are qualified to hold. Such request shall be made in writing to the City Manager. Employees requesting transfer, for reasons other than job elimination, shall be transferred to equal pay or lower paying jobs, providing a vacancy exists. In either case, approval of the transfer will be made by the City Manager based on seniority providing the transferee has the ability to do the required work.

Section 15.6: Temporary Openings:

Temporary job openings are defined as job vacancies that may periodically develop in any job classification.

Temporary openings may be filled by the City Manager through transfer on the basis of seniority, qualifications, and work performance, and shall be considered a training assignment. Employees assigned to a temporary job opening, which has a higher pay rate than that of the assigned employee, shall perform

the assigned new job at his/her existing wage rate for five (5) days after which time he/she shall be paid the new job rate.

Section 15.7: Job Training:

It is understood and agreed that the City shall make available opportunities for employees to learn new skills and equipment and provide on-the-job training to employees so they will be more qualified to fill future job openings. It shall be the employee's responsibility to avail him/her of the opportunities before the job openings occur so he/she can prove his/her abilities and qualifications for new job openings. Ability shall be determined by considering the employee's demonstrated skill, experience, training, physical fitness, and work record.

Section 15.8: Cross Certification:

The City may provide an increase in pay using the wage and salary plan, provided the needs of the City show the need for the specific certification and that funds are available to fund the increase.

Employees may take the necessary training and test for certification; however, any increase is at the sole determination of management.

ARTICLE XVI DISCIPLINE AND DISCHARGE

Section 16.1: Definitions:

Disciplinary action or measures shall include only the following: oral reprimand, written reprimand, suspension (not to exceed thirty (30) days with notice to be given in writing), reduction, and discharge. Disciplinary action may be imposed upon an employee for failing to fulfill his/her responsibilities as an employee, those infractions listed in Appendix C, City Rules, Discipline and Discharge, and/or unsatisfactory performance of work. An employee may be suspended without pay for just cause for any length of time up to thirty (30) days. Notice of suspension shall be given in writing. During an investigation hearing or trial of an employee on any felonious charge, the employee may be suspended, without pay, for the duration of the proceedings. If found not guilty, the employee shall be made whole. Any disciplinary action or measure imposed upon the employee may be processed as a grievance through the regular grievance procedure.

If the City has reason to reprimand an employee, it shall be done in a manner that will not embarrass the employee before other employees or the public.

A list of work rules, which require disciplinary action or measures, is attached to the Agreement and marked Appendix "C".

Section 16.2: Just Cause:

An employee may be disciplined for just cause at any time. Before he/she is disciplined, he/she will be notified in writing of the specific reasons for the proposed actions and provided an opportunity for a hearing. The employee will have five (5) calendar days to present reason why he/she should not be disciplined. He/she may present reasons either in person or in writing. If suspension is the proposed action, the suspension may occur before the hearing. The hearing will determine whether the suspension should be with or without pay. If termination is the proposed action, the termination will occur only after the hearing, or after the employee has responded or waived the right to respond, or the five (5) calendar days have expired. The employee may be suspended with pay before the hearing.

The employee will receive written notice of the decision within five (5) working days of the hearing or the employee's written response. The notice will also tell the employee that he/she has fourteen (14) calendar days to initiate a grievance.

If an employee's work is unsatisfactory, the employee will be notified, in writing that disciplinary action may be taken unless the employee's performance improves. The employee may be placed on a work improvement plan that which will last a minimum of thirty (30) calendar days. The work improvement plan will tell the employee where the employee's performance is unsatisfactory and the level of performance that is expected. If the employee's performance does not improve to an acceptable level, disciplinary action may be taken. Disciplinary action may include suspension without pay, reduction in salary, demotion, or termination.

In addition to unsatisfactory work performance, just cause for disciplinary action also includes:

- 1. Conviction of a felony
- 2. Insubordination (disobedient to authority)
- 3. Being under the influence of a controlled substance or alcohol while at work
- 4. Fraudulent use of sick leave
- 5. Poor attendance (tardiness, unexcused absence)
- 6. Negligence with city money or property
- 7. Sexual harassment

This list indicates the types of conduct that may call for disciplinary action. Other just causes are provided in Appendix C.

The Union may take up the suspension and/or discharge as a grievance at the second step of the grievance procedure and the matter shall be handled in accordance with this procedure through Step III, if deemed necessary by either party. Any employee found to be unjustly suspended or discharged, shall be reinstated with full compensation for all lost time and with full restoration of all other rights and conditions of employment.

ARTICLE XVII GRIEVANCE PROCEDURE

Section 17.1: Purpose:

The purpose of this procedure is to secure, at the lowest possible level, equitable solutions to the problems which may, from time to time, arise affecting employees. Both parties agree that these proceedings will be kept as informal and confidential as may be appropriate at any level of the procedure. The grievance procedure is to provide a just and equitable method for the resolution of grievances without discrimination, coercion, restraint, or reprisal against any employees who may submit or be involved in a grievance.

Section 17.2: Definition:

A "Grievance" is hereby defined as a complaint by an employee or group of employees based upon an alleged violation, misinterpretation, or inequitable application of any existing agreements, contracts, ordinances, policies or rules of the City as they apply to the conditions of employment.

Since it is important that grievances be processed as rapidly as possible, the number of days indicated at each level should be considered as maximum and every effort should be made to expedite the process. The time limits specified may, however, be extended by mutual agreement.

Section 17.3: Parties:

Individual employees, or groups of employees, shall have the right to present grievances in person or through the formal union representative, provided that any settlement reached is not inconsistent with the provisions of this Agreement and the formal union representative is given an opportunity to be present at such adjustments and that the grievance has been properly filed and adjusted according to the established procedure set forth in this article. Both parties agree to encourage an employee to discuss and resolve grievances with his/her immediate supervisor.

Section 17.4: Failure to Comply:

Failure, at any level of this procedure, to communicate the decision, in writing, to the employee involved,

within the specified time limit, shall permit the employee to proceed to the next prescribed step. The employee may withdraw a grievance at any time. Failure on the part of the employee to appeal a decision rendered to him/her within the specified time limits will be deemed acceptance of that rendered decision.

Section 17.5: Procedural Steps:

An employee with a grievance shall first discuss it with his/her immediate supervisor within three (3) workdays of when the employee knew, or reasonably should have known, of the event, giving rise to the grievance, with the objective of resolving the matter informally.

Step 1:

If the matter is not satisfactorily adjusted in the informal conference, then, within seven (7) working days, a written grievance shall be filed. This notice shall include the time (date) that the grievance occurred and relief sought. Within seven (7) work days of the date of the receipt of the written notice of grievance, the Department Head shall meet with the employee's representative, who may be accompanied by the employee, for discussion of the grievance. Within four (4) workdays of the meeting, the head of the department shall submit his/her decision in writing to the Union and employee.

Step 2:

If the employee and/or the Union disagree with this decision, the next step of the procedure may be initiated within seven (7) calendar days after receipt of the decision by written notice to the City Manager, or his/her designee. Such written notice will outline those factors of the grievance, which have not been satisfactorily resolved. Within ten (10) work days of the receipt of the notice initiating the second step of the grievance procedure, the City Manager, or his/her designee, will meet with the Union to discuss the grievance. Within seven (7) workdays of this meeting, written decision will be submitted to the Union by the City Manager.

Step 3:

If the Union disagrees with this decision, it may initiate an appeal to the Department of Labor within fifteen (15) calendar days after receipt of the Manager's decision. The Department of Labor shall conduct an investigation and hearing and shall issue an order covering the points raised. Said order shall be binding on the employees and the City in accordance with the provision of SDCL 3-18-15.2.

17.6: Parameter of Grievance Consideration and Decision:

The Union and the City understand and agree that in making this contract they have resolved, for its complete term, all bargainable issues which were or could have been subjects of discussion between them. The grievance procedure established is intended to resolve disputes between the parties over the interpretation or application of the matters which are specifically covered in this agreement and which are not excluded from consideration under State statute or this Agreement.

Any decision of the Department of Labor shall be based exclusively upon evidence presented at the hearing and shall not be based in whole or in part or rely upon any references to decisions, regulations, or other matters not specifically incorporated in this Agreement, except such applicable state statutes and regulations as have been uniformly applied to all municipalities within the state.

It is specifically understood and agreed that in no event shall the City's incognizance of any past infractions of any work rule, regulation, duty, responsibility, or policy be found to mitigate, in whole or in part, any discipline imposed by the City for any current infraction of any work rule, regulation, duty, responsibility, or policy, nor shall the Department of Labor so find.

Section 17.7: Grievance of General Concern:

Grievances raised on behalf of a group of employees by the informal representative of the City, which are of general concern regarding application or interpretation of this Agreement, shall be initiated as Step 2

of the grievance procedure.

Section 17.8: Union Stewards:

Employees within the bargaining unit may be represented by Union stewards in areas of the City employment as follows: (1) Administrative, (2) Public Works, (3) Electric, and (4) Water and Sewer. The Union shall furnish the City a list of the stewards' names and their areas of assignment. The list shall be current at all times. Alternate stewards may be appointed by the Union in the absence of regular stewards. The steward shall be paid at his/her regular rate for off time spent on investigation and adjustment of grievances. Union Stewards will be limited to no more than two (2) hours a week of regular time (noncumulative), for investigation. Time over and above this must be requested and justified to the City Manager prior to exceeding this amount and the City Manager shall not unreasonably delay approval. Any alleged abuse of time spent investigating or adjusting grievances may be referred to the grievance procedure at Step 2. The steward shall, before leaving his/her workstation, inform the steward's department supervisor for permission to investigate and/or adjust grievances and the need to leave and shall report back promptly when his/her part in the grievance adjustment has been completed. Any emergency which would otherwise keep the steward from leaving his/her workstation shall be a valid reason for refusing permission provided that such refusal by the department supervisor shall be reduced to writing and a copy given to the steward within twelve (12) hours after the verbal request and any time limits applicable under the grievance procedure shall be extended on the basis of one (1) day extension for each day the steward is unable to perform his/her Union duties.

ARTICLE XVIII WORK RULES

Section 18.1: Establishing and Changing:

The City shall have the right to make and enforce reasonable work rules. Except in emergency situations, when existing rules are changed or new rules are established, they shall be posted prominently on all bulletin boards for a period of ten (10) consecutive workdays before becoming effective.

Section 18.2: Availability:

The City agrees to furnish each employee in the bargaining unit with a copy of all existing work rules thirty (30) days after they become effective. New employees shall be provided with a copy of the rules at the time of hire.

Section 18.3: Compliance:

Employees shall comply with all existing rules that are not in conflict with the term of this Agreement, provided the rules are uniformly applied and uniformly enforced. Any unresolved complaint involving the application or interpretation of existing rules or any complaint involving discrimination in the application of new or existing rules shall be resolved through the grievance procedure.

ARTICLE XIX GENERAL PROVISIONS

Section 19.1: Prohibition of Discrimination:

The provisions of this Agreement shall be applied equally to all employees in the bargaining unit without discrimination as to age, sex, marital status, race, color, creed, national origin, political affiliation, or union status. The Union shall share equally with the City the responsibility for applying this provision of the Agreement. All references to employees in this Agreement designate both sexes and wherever the male gender is used it shall be construed to include male and female employees. The Union recognizes its responsibilities as exclusive representative and agrees to represent all employees in the bargaining unit without discrimination, interference, restraint, or coercion.

Section 19.2: Posting Notices and Bulletins:

The City agrees the Union has the right to post notices and information in convenient places at the water plant, electric plant, city hall, and municipal service center. The Union shall limit its posting of notices and bulletins to such places and to bonafide Union material only, unless such material is initialed by the City Manager and the president of the local union.

Section 19.3: Steward Privileges:

The City agrees that during working hours on the City's premises, and without loss of pay, Union stewards shall be allowed to: (1) Post Union notices; distribute Union literature, (2) Solicit Union membership during employee's non-working time, (3) Attend negotiating meetings, (4) Transmit communications authorized by the local Union or its officers to the City or its representative, (5) Consult with the City, its representative, local Union officers, South Dakota, and one representative from the International Union concerning the enforcement of any provision of this Agreement. Union Stewards will be limited to no more than two (2) hours a week of regular time (non-cumulative). Time over and above this must be requested and justified to the City Manager prior to exceeding this amount and approval will not be unreasonably delayed. Any alleged abuse of time spent in the above activities may be referred to the grievance procedure at Step 2.

Section 19.4: Access:

One accredited State representative and one accredited International representative of the American Federation of State, County, and Municipal Employees shall have access to the employee lounge at the municipal service center during working hours to conduct union business. The location for Union negotiations shall be designated by the City.

Section 19.5: Uniforms and Protective Clothing:

If any employee is required to wear a uniform, protective clothing, including coveralls or any type of protective device as a condition of employment, such uniform, protective clothing, or protective device shall be furnished to the employee by City. The cost of maintaining the uniform or protective clothing in proper working condition shall be paid by the City. Failure to wear the uniform, refusal to wear safety items, or willful destruction or abuse of uniforms and protective items will be punishable.

The City shall pay \$100 toward safety boots each year. The City shall pay \$150 toward safety glasses each year. Appropriate receipts for safety boots and safety glasses shall be presented to the employee's supervisor. Shall an employee leave employment with the City for any reason within 90 days of receiving a safety boot or safety glass reimbursement, the City may deduct such reimbursement from any amount owed to the employee.

Section 19.6: Safety Committee:

It is recognized that many on-the-job accidents could be prevented by a continuous effort by the City and its employees to identify and prevent unsafe working conditions or work practices. A Safety Committee is hereby established to investigate complaints of unsafe working conditions and work habits and to inspect City equipment and property on a regular basis to insure continued safe conditions. The committee shall also investigate all accidents so that they might be prevented from happening again. The committee shall be composed of an equal number of representatives of the City and the Union and shall make recommendations to correct any safety problem. It is agreed that no employee shall be required to operate any unsafe piece of equipment or in any unsafe working condition. In all cases of dispute as to whether or not a piece of equipment or work procedure is safe, the committee shall investigate the dispute and makes its recommendation before work continues.

Section 19.7: Savings Clause:

Should any article, section, portion thereof of this Agreement be held unlawful and unenforceable by any court of competent jurisdiction, such decision of the court shall apply only to the specific article, section, or portion thereof directly specified in the decision. Upon the issuance of such a decision, the parties agree to negotiate a substitute for the invalidated article, section, or portion thereof.

ARTICLE XX ENTIRE AGREEMENT

Section 20.1:

The City and the Union acknowledge that during the negotiations, which resulted in this Agreement, each had the right and opportunity to make proposals with respect to subjects or matters not removed by law from the area of collective bargaining. The understanding and agreements arrived at by the City and the Union after the exercise of such right and opportunity are set forth in this Agreement.

Section 20.2:

The City and the Union, for the duration of this Agreement, except as otherwise mutually agreed, agree that the other shall not be obliged to bargain collectively with respect to any subject or matter whether or not referred to or covered in the Agreement even though such subject matter may not have been within the knowledge or contemplation of either or both the City and the Union at the time that they negotiated this Agreement unless specifically provided for herein.

ARTICLE XXI TERMINATION

This Agreement shall be effective upon execution by the parties except as otherwise specifically provided and shall remain in full force until the 31st Day of December 2021.

It shall be renewed from year to year thereafter, except and unless either party notifies the other, in writing, prior to May 6, 2019 and May 4, 2020 that it desires to negotiate two items, one economic and one non-economic.

In the event that notice is given, negotiations shall begin not later than June 1.

This Agreement shall remain in full force and be effective during the periods of negotiations and until notice of termination of this Agreement is provided to the other party in the manner set forth in the following paragraph.

In the event either party desires to terminate this Agreement, written notice must be given to the other party not less than ten (10) days prior to the desired termination date, which shall not be before December 31st.

IN WITNESS WHEREOF the parties have set their hands this _____ day of December, 2018.

FOR THE UNION:

(Kyle A. Hoisington)

AFSCME Local 1052

FOR THE CITY:

John E. (Jack) Powell, Mayor

City of Vermillion, SD

APPENDIX A

Appendix A saved as separate document

APPENDIX "B" Retirement and Insurance

Section B.1: Insurance

The City shall provide a group health, life and dental insurance policy during the term of the Agreement. The City shall pay the monthly premium minus a fee as stated in the next paragraph for employees with no dependents and shall pay one-half (1/2) of the employees total monthly premium (dental insurance See Appendix E). To remain in effect during a leave of absence, pre-payment of the employee's share must be made for the term of the absence.

Each employee participating in the City Health Insurance Plan shall pay a monthly fee of thirty (\$30) for employee only, 2-party, or family coverage. The fee will be in addition to their one-half (1/2) of total monthly health insurance premium for 2-party or family coverage. Such monthly fee will be paid through payroll deduction. If the percentage increase in the monthly health insurance premium increases by 10% or more for 2020 in comparison to 2019, the City may increase the monthly fee by \$5 for employee only, 2-party coverage or family coverage. If the monthly health insurance premium decreases by 10% or more for 2020 in comparison to 2019, the City will decrease the monthly fee by \$5 for employee only, 2-party, or family coverage in comparison to 2019. If the percentage increase in the monthly health insurance premium increases by 10% or more for 2021 comparison to 2020, the City may increase the monthly fee by \$10 for employee only, 2-party coverage or family coverage. If the percentage increase in the monthly health insurance premium decreases by 10% or more for 2021 in comparison to 2020, the City will decrease the monthly fee by \$10 for employee only, 2-party, or family coverage.

Section B.2: Retirement

The retirement policy in effect on the effective date of this Agreement shall be maintained for the term of this Agreement. The City shall pay such amount as required by South Dakota law.

Section B.3: Modification

Any proposed changes to B.1 and/or B.2, shall be negotiated during open negotiations, yearly wage negotiations or when due to insurance carrier proposals. Both the Union and the City must agree in order to open the contract. This may be done at any time during the life of this agreement to negotiate this item only.

Section B.5: Carrier Selection

The City and the Union agree to cooperatively review existing health insurance plans for opportunities to discuss alterations or offer options to employees to reduce the cost of employee health insurance plans. The City retains the authority to select the insurance carrier.

APPENDIX "C" City Rules, Discipline, and Discharge

Section C.1: Just Cause Provision:

Any employee who has completed his/her initial probationary period shall be disciplined or discharged only for just cause. During the initial probationary period bargaining unit members may be removed without a showing of cause.

Section C.2: Progressive Discipline:

The City will ordinarily use the following system of progressive discipline for the same or related offenses: oral reprimand, written reprimand, followed by suspension, followed by reduction in compensation or rank, or removal. The City may determine to deviate from this progression for any serious job related misconduct of such a nature that would reasonably warrant more severe disciplinary action. Progressive discipline shall take into account the nature of the violation, the employee's record of discipline, if any, and the employee's record of conduct and work performance. This will be accomplished at a pre-disciplinary hearing in which the City Manager will consider all available evidence presented by the employee and/or his representative and the supervisor. Nothing in this section shall preclude supervisors from issuing verbal instructions, warnings, or directives for corrective action.

Section C.3: Just Causes for Removal, Discharge and Suspension:

Article 16 provides details on the procedures to be followed for discharge and/or suspension. The following conditions or occurrences will be considered just cause for discharge, suspension, reduction of rank, pay, or responsibility of an employee. However, just cause for discharge, suspension or reduction is not limited to those conditions and occurrences listed herein.

Any offense under groups 1 and 2 listed in the disciplinary measures may be treated as any offense in the next higher group depending on the severity or the offense. The offense shall be deemed more severe if the alleged offense brought harm to any individual, loss of City property or private property in excess of \$1,000.00, or damage to City and or private property in excess of \$2,000. This shall be decided by the Department Head.

Depending upon the severity of the offense, the Department Head may recommend and the City Manager may impose other disciplinary actions (than those shown as guidelines in the Groups 1, 2, and 3 offenses) in order to properly act upon a disciplinary matter. Consideration will be given to the severity of the offense, the cost involved, the time interval between violations, willfulness to commit the offense, the length and quality of the service record, and the ability of the employee concerned.

Any reprimand that can become part of an employee's official record or result in suspension or discharge shall be given in writing to the employee affected, with a copy to the Union Steward and shall be done at an appointed time with such employee having the right to have a Union Steward present.

Section C.4:

The following work rules and disciplinary measures are to be used as guidelines indicating proper behavior and penalties for such improper behavior. The rules below are designed to protect the best interests of the City and its employees. While these rules must be enforced, if they are to have a meaning, each case of disciplinary action shall be judged on its individual merits.

Group I Offenses:

First Offense will generally be addressed with a written reprimand and or written notice as applicable; Second offense with three (3) days suspended without pay for a different second offense or five (5) days suspended without pay for repeat of the first offense. The third offense may result in discharge.

Group I Offenses:

- A.Acts in a disorderly manner, or in any manner likely to bring discredit to the department, or any member thereof.
- B. Unauthorized absence from duty.
- C.Disregard of reasonable supervisor work rules and common safety practices and violation of supervisory order.
- D.While in public criticizes any order, policy of the department, ordinance of the City, or speaks derogatorily of other City personnel regarding orders or instructions issued by any superior.
- E. Neglects, or without good and sufficient reason, omits, promptly and properly, to attend to anything which is his/her duty as a member of the department.
- F. Neglect of job responsibility.
- G.Failure to immediately report to the supervisor equipment malfunction and/or accidental damage to City equipment or property.
- H.Unsatisfactory work habits which are continued after verbal instruction and warning by the supervisor.
- I. Unauthorized use of City property not resulting in property damage or personal injury.
- J. Making malicious false statements concerning any employee, supervisor, the City, or its operations.
- K.Leaving the job during regular working hours without notice to or permission from the supervisor or without legitimate reason.
- L. Appears on duty or in uniform improperly dressed or untidy in his/her person or clothing.
- M. Failure to wear safety and protective equipment as required by the job.
- N.Use rude or demeaning language to any member of the public while in the discharge of his/her duties
- O.Is absent without leave or is late for duty without reasonable excuse.
- P. Conducting a political campaign to run for office while on City time.

Group II: Group II offenses will generally be addressed with five (5) days suspension without pay for the first offense. Ten (10) days suspension without pay for a different second offense or discharge for repeat of first offense. Third offense will result in discharge.

- A.Failure to immediately report to supervisor an accident resulting in damage to private property or injury to a person.
- B.Misuse of City records or confidential information without prior written authority from the City Manager.
- C.Unauthorized use of sick leave, family leave, emergency leave, special leave, union leave, jury leave, contrary to the provisions and intent of this contract.
- D.Failure to report for emergency overtime work after being contacted to do so.
- E. Without proper authority, communicates to the public press or any unauthorized person any official information connected with the City and/or his / her department.
- F. Reporting to work under the influence of alcohol (.04 for all City employees).

Group III: Any employee accused of the following offenses shall be suspended without pay for five (5) days before termination of employment. Pay shall be restored in full if the allegations are found to be false. First Offense: Discharge.

- A. Unauthorized possession or use of firearms on the job.
- B.Conviction of a felony.
- C.Stealing or other unlawful possession of the City's private, or an employee's property upon conviction or admission thereof.
- D.Intentional falsification of personal or other City records.
- E. Wanton or willful neglect in the performance of assigned duties or in the care, use, or custody of any City property, tools, or equipment, or deliberate destruction in any manner of City property, equipment, or tools.

- F. Failing to cross picket lines in the course of the employee's duty when there is no clear and imminent danger to the well being of the employee at the time the employee would have had to cross the picket line.
- G.Unauthorized use of the City property resulting in property damage or personal injury.
- H.Being under the influence of non-prescriptive or illegal drugs while at work or using alcohol or drugs on the job or refusing to take an alcohol or drug test.
- I. Solicits or accepts a bribe.
- J. Willful disobedience (a flagrant refusal) or fails to comply with a lawful order from superiors.
- K.Sexual, racial and/or religious harassment

APPENDIX "D" PEOPLE CHECKOFF

PEOPLE: (Public Employees Organized to Promote Legislative Equality) CHECKOFF

The employer agrees to deduct from the wages of any employee who is a member of the Union a PEOPLE deduction as provided for in a written authorization. Such authorization must be executed by the employee and may be revoked by the employee at any time by giving written notice to both the employer and the Union. The employer agrees to remit any deductions made pursuant to this provision promptly to the Union together with an itemized statement showing the name of each employee from whose pay such deductions have been made and the amount deducted during the period covered by the remittance. This deduction will be at a cost of \$.50 per employee per pay period.

APPENDIX "E" DENTAL INSURANCE

The City shall pay 100% of the employees Dental. The employee shall pay any additional cost for family coverage.