AGREEMENT BETWEEN
THE CITY OF MANKATO
AND
LOCAL 2374, STATE COUNCIL 65
AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES

2000-2002 CONTRACT
Effective January 1, 2000 through December 31, 2002.

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ARTICLE 1. PURPOSE OF AGREEMENT.
This AGREEMENT is entered into between the City of Mankato, hereinafter called the EMPLOYER, and Local 2374, State Council 65, American Federation of State, County and Municipal Employees, hereinafter called the UNION. It is the intent and purpose of this AGREEMENT to:

1.1 Establish procedures for the resolution of disputes concerning the interpretation and/or application of this AGREEMENT; and

1.2 Place in written form the agreement of the parties upon terms and conditions of employment for the duration of this AGREEMENT.

ARTICLE 2. RECOGNITION.
2.1 The EMPLOYER recognizes the UNION as the exclusive representative pursuant to the provisions of Minnesota Statutes, Chapter 179A, for all employees of the Division of Mass Transit, excluding supervisory, confidential, and clerical employees.

ARTICLE 3. DEFINITIONS.
2.1 The following terms shall have the following definitions for purposes of this AGREEMENT.

A. Base Rate - The employee's basic hourly pay rate exclusive of overtime premium or any other special allowance.

B. Call-Back - Return of an employee to a specific work site or route to perform assigned duties at the express authorization of the EMPLOYER at a time other than an assigned shift. An extension of or early report to an assigned shift is not a call back.

C. Days - Unless otherwise specified, means calendar days.

D. Employer - City of Mankato, or designated representative.

E. Employee - A member of the formally recognized bargaining unit.

F. Full-Time - Employees specifically hired and designated as a full-time employee.

G. Layoff - Elimination or reduction of employment for the following reasons:
   1. Shortage of work.
   2. Lack of funds.
   3. Reduction of the number of runs.
   4. Management decision that would not discredit the employee.

H. Lunch Break - An unpaid break, preferably during the mid-point of the total work shift.

I. Overtime - One and one-half (1-1/2) times the employee's base pay rate.

J. Part-Time - Employees specifically hired and designated as part-time employees.

K. Rest Breaks - Paid break due once every four (4) continuous hours, preferably during the mid-point of that time period.

L. Run - Regularly scheduled route established in conformance to Article 16.3 (Bidding) on specified days and times according to the "bidding board."

M. Union - Local 2374, State Council 65, AFSCME.
ARTICLE 4. EMPLOYER SECURITY.
4.1 The EMPLOYER retains the full and unrestricted right to operate and manage all manpower, facilities and equipment; to establish functions and programs; set and amend budgets; to determine the utilization of technology; to establish and modify organizational structure; to select, direct, and determine the number of personnel; to establish work schedules, and to perform any inherent managerial functions not specifically limited by this AGREEMENT.

4.2 Any terms or conditions of employment not specifically established or modified by this AGREEMENT shall remain solely within the discretion of the EMPLOYER to modify, establish or eliminate.

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ARTICLE 5. UNION SECURITY.
5.1 The EMPLOYER shall deduct from the wages of employees who authorize such a deduction, in writing, an amount necessary to cover monthly UNION dues. Monies so deducted shall be forwarded by the EMPLOYER as directed by the UNION.

5.2 The EMPLOYER shall deduct from the wages of employees as directed by the UNION an amount not to exceed eighty-five percent (85%) of the normal monthly UNION dues. Monies so deducted shall be forwarded by the EMPLOYER as directed by the UNION.

5.3 The UNION may designate employees from the bargaining unit to act as a steward and an alternate and shall inform the EMPLOYER in writing of such designation, and any changes in the position of steward and/or alternate.

5.4 The EMPLOYER shall make space available on the appropriate employee bulletin board for posting UNION notice(s) and announcement(s). The employer shall send to the designated union representative all postings for bus driver vacancies. The union representative shall sign a receipt of acceptance and return to the human resources director.

5.5 Two (2) members of the UNION negotiating committee shall suffer no loss of wages during the negotiation process connected with this AGREEMENT or any subsequent agreements. A reasonable effort shall be made to schedule negotiating meetings during off hours.

5.6 The City, on a yearly basis, will supply an updated seniority and benefit list, based on classification, of all Division of Mass Transit employees.

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ARTICLE 6. GRIEVANCE PROCEDURE.
6.1 Definition of a Grievance. A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms of this AGREEMENT.

6.2 Union Representative. The EMPLOYER will recognize REPRESENTATIVES designated by the UNION as the grievance representatives of the bargaining unit having the duties and responsibilities established by this Article. The UNION shall notify the EMPLOYER, in writing, of the names of such UNION representatives and of their successors, when so designated, as provided by 5.3 of this
AGREEMENT.

6.3 Processing of a Grievance. It is recognized and accepted by the UNION and the EMPLOYER that the processing of grievances as hereinafter provided is limited by the job duties and responsibilities of the employees and shall therefore be accomplished during normal working hours only when consistent with such employee duties and responsibilities. The aggrieved employee and a UNION REPRESENTATIVE shall have notified and received the approval of the designated supervisor who shall have determined that such absence is reasonable and would not be detrimental to the work programs of the EMPLOYER.

6.4 Procedure. Grievances, as defined by Section 6.1, shall be resolved in conformance with the following procedure:

Step 1. An employee claiming a violation concerning the interpretation or application of this AGREEMENT shall, within ten (10) calendar days after such violation has occurred, present such grievance to the Superintendent (Division of Mass Transit EMPLOYER designated representative). The Superintendent (Mass Transit Division EMPLOYER designated representative) will then discuss and give, in writing, an answer to such Step 1 grievance within ten (10) calendar days after receipt. A grievance not resolved in Step 1 and appealed to Step 2 shall be placed in writing setting forth the nature of the grievance, the facts on which it is based, the provisions of the AGREEMENT allegedly violated, the remedy requested, and shall be appealed to Step 2 within ten (10) calendar days after the EMPLOYER designated representative's final answer in Step 1. Any grievance not appealed in writing to Step 2 by the UNION within such ten (10) calendar day period shall be considered waived.

Step 2. If appealed from Step 1, the written grievance shall be represented by the UNION and discussed with the Director of Public Works (EMPLOYER designated representative). The EMPLOYER designated representative shall give the UNION the EMPLOYER'S Step 2 answer in writing within ten (10) calendar days after receipt of such Step 2 grievance. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) calendar days following the EMPLOYER designated representative's final Step 2 answer. Any grievance not appealed in writing to Step 3 by the UNION within ten (10) calendar days shall be considered waived.

Step 3. If appealed from Step 2, the written grievance shall be presented by the UNION and discussed with the City Manager (EMPLOYER designated representative). The EMPLOYER designated representative shall give the UNION the EMPLOYER'S answer in writing within ten (10) calendar days after receipt of such Step 3 grievance. A grievance not resolved in Step 3 may be appealed to Step 4 within ten (10) calendar days following the EMPLOYER designated representative's final answer in Step 3. Any grievance not appealed in writing to Step 4 by the UNION within such ten (10) calendar day period shall be considered waived.

Step 4. A grievance not resolved in Step 3 and appealed to Step 4 by the UNION shall be submitted to arbitration subject to the provisions of the Public Employment Labor Relations Act of 1971, as amended. The selection of an arbitrator shall be made in accordance with the "Rules Governing the Arbitration of Grievances" as established by the Public Employment Labor Relations Board.

6.5 Arbitrator's Authority.

A. It is expressly agreed by the parties that the arbitrator shall have no authority to amend, nullify, add to, or subtract from the terms of this AGREEMENT. The arbitrator shall consider and decide only
the specific issue(s) submitted in writing by the EMPLOYER and the UNION, and shall have no authority to make a decision on any other issue not so submitted.

B. The arbitrator shall have no authority to make any decision contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules or regulations having the force and effect of law. Both parties to this AGREEMENT recognize that the efficient administration of the AGREEMENT requires a prompt decision by the arbitrator. The parties therefore expect the arbitrator to render an award within thirty (30) calendar days whenever possible. The decision shall be binding on both the EMPLOYER and the UNION and shall be based solely on the arbitrator's interpretation of application of the express terms of this AGREEMENT and to the facts of the grievance presented.

C. The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the EMPLOYER and the UNION, provided that each party shall be responsible for compensating its own representatives and witnesses. If either party desires a verbatim record of the proceedings, it may cause such a record to be made, providing it pays for the record. If both parties desire a verbatim record of the proceedings, the cost shall be shared equally.

6.6 Waiver. If a grievance is not presented within the time limits set forth above, it shall be considered "waived." If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the EMPLOYER'S last answer. If the EMPLOYER does not answer a grievance or an appeal thereof within the specified time limits, the UNION may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step.

6.7 Choice of Remedy. If, as a result of the written EMPLOYER response in Step 3, the grievance remains unresolved, and if the grievance involves the suspension, demotion, or discharge of any employee who has completed the required probationary period, the grievance may be appealed either to Step 4 of Article 6, or a procedure such as: Civil Service, Veteran's Preference, or Fair Employment. If appealed to any other procedure other than Step 4 of Article 6, the grievance is not subject to the arbitration procedure as provided in Step 4 of Article 6. The aggrieved employee shall indicate in writing which procedure is to be utilized--and shall sign a statement to the effect that the choice of any other hearing precludes the aggrieved employee from making a subsequent appeal through Step 4 of Article 6.

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ARTICLE 7. SICK LEAVE.

7.1 Each full-time employee who has been continuously employed for a period of six (6) months or longer shall be eligible for sick leave accumulation and use. Sick leave shall be accrued at the rate of eight (8) hours for each month of service beginning with the date of employment with the EMPLOYER. All unused sick leave will be allowed to accumulate without limit until separation from employment.

7.2 Sick leave shall not be granted in less than one (1) hour periods. Sick leave shall be granted only in case of necessity and actual illness or disability. In the event of a serious illness or hospitalization of a spouse or child, an employee may use up to two (2) days (16 hours) of sick leave.

7.3 In case of disability caused by the sickness or injury of an employee and covered by Worker's Compensation, the EMPLOYER shall pay to the employee only such sums as together with Worker's Compensation payments will equal the employee's normal weekly wage. In such cases, the time deducted
from accumulated sick leave shall be in the same amount as the portion of wages paid by the EMPLOYER bears on the entire pay of the employee.

7.4 No sick leave shall be paid to employees while actually working either for the EMPLOYER or others. No sick leave shall be paid to anyone after relationship of EMPLOYER and employee has terminated by resignation, retirement, dismissal or death.

7.5 A doctor's certificate may be required by the EMPLOYER after three (3) consecutive days illness, or when the EMPLOYER suspects the employee has or may have abused or may be abusing sick leave. The doctor's certificate shall be obtained at the expense of the employee.

7.6 At the time of separation, after five (5) years employment, from the service of the EMPLOYER due to death, retirement, dismissal or any other cause, the employee shall be paid an amount equal to twenty-five percent (25%) of all accumulated sick leave. The amount shall be based upon the hourly wage of the employee at the time of separation. In the event of illness or the use of sick leave, the employee shall call in at least one (1) hour prior to the start of the shift.

7.7 Subject to the continued approval of the City's insurance carrier, employees with ten (10) years of full-time service may, at their option (or spouse's option, in case of death), place their sick leave payment in a fund to be utilized to pay their health insurance premiums. Interest will be paid to the fund on December 31st of each year, figured on the balance as of June 30th of that year, at the passbook savings interest rate of a full-service bank. In case of death of an employee and later of the spouse, the remaining balance will be paid to the appointed beneficiary or the estate, whichever the case may be. When the employee no longer desires this payment, the remaining balance may be paid to the employee or his/her estate.

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ARTICLE 8. HOLIDAYS.

8.1 The following days are established as holidays:

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8.2 A full-time employee shall receive pay for eight (8) hours at straight time for each of the above listed holidays on which the employee performs no work, provided that such employee shall have worked the full shift on the last scheduled work day immediately following the holiday. If an employee is scheduled off work by the EMPLOYER for the week in which the holiday occurs or if he/she is not working because of an injury or other excused absence not including unpaid leave, he/she shall receive pay for the holiday if otherwise eligible.

8.3 If a full-time employee is not scheduled to work on a holiday which occurs on a Saturday, the preceding Friday shall be the holiday. If a regular full-time employee is not scheduled to work on a holiday which occurs on a Sunday, the following Monday shall be the holiday.
8.4 The EMPLOYER shall have and retain the right to schedule employees entitled to holidays to work on Presidents Day, Veterans Day, and the day after Thanksgiving Day, and any other day made a holiday by application of the preceding paragraph, provided that the employees assigned that work on these days shall be selected on the basis of inverse classification seniority, and further provided that any employees required to work on any holiday shall be paid one and one-half (1-1/2) of their regular rate of pay in addition to holiday pay for all hours worked on the holiday.

8.5 An employee on vacation shall not be charged a vacation day for a holiday which falls during his/her vacation period.

8.6 Those employees eligible to receive a floating holiday shall have the first day requested as vacation recorded as using the floating holiday for that calendar year. This will not increase or decrease the maximum accumulation allowed for vacation, nor will it increase or decrease the number of holidays allowed per year. If an eligible employee does not request any vacation for a particular calendar year, then the floating holiday shall be forfeited and not carried forward to the next calendar year.

ARTICLE 9. VACATIONS.

9.1 All full-time employees shall receive and accumulate annual vacation on the following basis:
   - 1 - 5 years of continuous service: employee earns eighty (80) hours per year, accrued at 6.66 hours per month;
   - 6 - 14 years of continuous service: employee earns one hundred twenty (120) hours per year, accrued at 10 hours per month;
   - 15 - 20 years of continuous service: employee earns one hundred sixty (160) hours per year, accrued at 13.33 hours per month;
   - 20 + years of continuous service: employee earns one hundred sixty (160) hours per year, plus eight (8) hours per year for every year over twenty (20) years to a maximum accumulation per year of two hundred and forty (240) hours per year.

9.2 A full-time employee shall accrue vacation during the twelve (12) month probationary period. Twelve (12) months after the date on which the employee became a full-time employee, said employee may start to use said accrued vacation. If an employee terminates employment prior to the end of the probationary period, said vacation benefits shall be cashed out and paid at time of termination.

9.3 A leave of absence approved by the EMPLOYER shall not constitute a break in continuous service for the purpose of this Article, provided that no employee shall earn any vacation during an unpaid leave of absence.

9.4 A full-time employee entitled to vacation shall request permission from the appropriate division head at least twenty-one (21) days prior to taking any vacation for more than two (2) consecutive days. The division head shall notify the employee in writing of his/her permission or denial fifteen (15) days prior to the effective date of the vacation period on requests for more than two (2) days. In cases where the number of employees on vacation at one time must be limited, the senior employee requesting vacation shall be granted the vacation, except when a junior employee has previously requested and received permission from the EMPLOYER for vacation at such time.
9.5 A full-time employee shall be allowed to take vacation each year.

9.6 Any full-time employee of the EMPLOYER leaving the service of the EMPLOYER in good standing, after having given at least two (2) weeks notice in writing of termination of employment, shall be compensated for vacation leave accrued to the day of separation of the employee's last full-time pay, provided that the employee has served at least twelve (12) consecutive months prior to separation. The two (2) week notice portion of this Section may be waived with mutual consent of the EMPLOYER and the UNION. The waiver provision contained in this Paragraph may be grieved through the third step of the grievance procedure, but is not subject to arbitration.

9.7 No employee shall be permitted to waive vacation for the purpose of receiving double pay.

9.8 No vacation time shall be granted or taken for a period of less than one (1) hour. In the event an employee takes vacation for a fraction thereof, the employee shall be charged a full hour for such fraction.

9.9 Effective January 1, 1996, on an annual basis, a regular full-time employee may elect to receive a minimum of one (1) week additional vacation in lieu of one (1) week of the employee's salary, with prior approval of the employee's department director and City Manager as indicated in the City’s Vacation Purchase Policy.

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ARTICLE 10. FUNERAL LEAVE.

10.1 A full-time employee shall be granted funeral leave, to be charged against sick leave, of up to three (3) eight (8) hour days, in the event of death to the employee's spouse or child, and up to three (3) eight (8) hour days in the event of death of the immediate family of such employee for the purpose of attending the funeral of the deceased. For the purpose of this Article, immediate family means the employee's spouse, child, father, mother, sister, brother, mother-in-law, and father-in-law. Such leave shall be the day of the funeral and the day prior thereto or thereafter, unless different days are agreed to in writing by the EMPLOYER.

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ARTICLE 11. LEAVES OF ABSENCE.

11.1 A leave of absence without pay for a reasonable period not to exceed one (1) year shall be granted without loss of seniority for:
   A. Service in an elected UNION position;
   B. Service in an appointed position with the Council or International Union;
   C. Illness (physical or mental);
   D. Maternity, paternity and adoption.

11.2 Jury Duty: A full-time employee shall be granted a leave of absence for service on a jury, in which event such employee shall be compensated by the EMPLOYER for the difference between the regular pay of the employee and the compensation received by such employee for jury service. Once such an employee is excused from jury service, such employee shall immediately return to work if scheduled for work at the time excused.
11.3 A leave of absence shall be granted to only one (1) employee at a time and only on condition that, in the judgement of the EMPLOYER, such leave will not reduce the quality or level or service to the public.

**ARTICLE 12. UNIFORMS.**

12.1 The EMPLOYER shall provide all uniforms required by the EMPLOYER to be worn by employees during the course of employment. The decision as to whether uniforms shall be required and, if required, the type of uniform to be worn by employees shall be made, and may be changed during the term of this AGREEMENT, solely by the EMPLOYER.

12.2 Employees shall have the option of wearing Bermuda type shorts, navy blue in color, during working hours from May thru October. The employee must provide this item of clothing.

12.3 Employees have the option of wearing ties during working hours for the duration of this contract.

**ARTICLE 13. DISCIPLINE.**

13.1 The EMPLOYER shall have and retain the right to discipline employees by verbal reprimand, written reprimand, suspension, demotion, or discharge, provided that discipline shall be for just cause.

13.2 An employee who is reprimanded by written reprimand, suspension, demotion or discharge shall be given a written notice of such written reprimand, suspension, demotion or discharge containing the grounds for the disciplinary action.

13.3 An employee shall be allowed to inspect the contents of his/her personnel file on the employee's own time and shall be provided with a copy of any entries to his/her personnel file requested by the employee.

13.4 No written allegations shall be used as a basis for discipline unless the allegation has been made a part of the employee's personnel file. Each employee shall have only one official personnel file to be kept in the personnel office of City Hall.

13.5 An employee shall be allowed UNION representation at any step of the discipline process, if the employee requests said representation. The refusal of the UNION to participate or the unavailability of a UNION representative shall not abridge the EMPLOYER'S right to instill disciplinary action.

**ARTICLE 14. SENIORITY.**

14.1 Seniority for both full- and part-time shall be determined by the employee's date of employment with the Division of Mass Transit.

14.2 Any reduction of the work force shall be accomplished on the basis of inverse seniority. In case of a layoff, an employee shall be given fourteen (14) calendar days notice, except in the case of emergency or layoff of less than five (5) calendar days duration, or as a result of a condition which results in a lack of
work over which the City is not given thirty (30) calendar days notice. Full-time employees who may be reduced due to cancellation of the number of full-time runs shall have the right to select the required number of hours from the part-time runs to assure they will retain their full-time status.

14.3 If a full-time driver is placed involuntarily in part-time status, the break in service from full-time to part-time will not constitute a break in the employee's continuous employment in the event the employee returns to full-time status.

14.4 Employees shall be recalled from layoff on the inverse order of the layoff. An employee on layoff shall have the opportunity to return to work within one (1) year of the date of layoff before any new employee is hired. Recall notification shall be by certified mail with the employee having fourteen (14) calendar days to return to work to retain the employee's seniority rights, unless the employee and the EMPLOYER mutually agree, in writing, to a time extension.

14.5 If a part-time employee is promoted to full-time, that amount of time (hours) spent as a part-time employee shall be credited toward the probationary time period normally served by new full-time employees. A full-time year shall be two thousand eighty (2,080) hours.

14.6 After June, bus drivers may select voluntary layoff as first option without loss of seniority. If voluntary layoff is not selected, then employee may bump least senior employee. If two (2) employees want to bump, senior employees shall have first choice of the two least (bottom) senior jobs. If a voluntary layoff is accepted, then the employee may not be required to accept re-employment until the next bidding board.

ARTICLE 15. INSURANCE.

15.1 The City will contribute ninety percent (90%) of the premium cost and the employee will contribute ten percent (10%) of the premium cost for dependent coverage for the City's health insurance for full-time employees. The City will contribute one hundred percent (100%) of the premium cost for single coverage.

15.2 The City of Mankato will pay to any employee an insurance rebate to those employees who decide to take single health insurance coverage instead of dependent/family health insurance. This rebate will be fifty percent (50%) of the difference in cost between the single coverage and the dependent coverage. All full-time employees shall be eligible to participate in the City's 125 flexible benefits program.

ARTICLE 16. HOURS OF WORK.

16.1 The City will try to schedule the working shift of full-time employees over a period not to exceed twelve (12) hours. However, should this not be possible and there are no drivers who bid on a schedule extending over twelve (12) hours, the UNION recognizes the City will exercise its right to recruit additional drivers to fill the position. Days off caused by this action shall be considered voluntary leaves of absence without pay.

16.2 All employees= schedules shall be posted fourteen (14) calendar days in advance of the effective date. Once said schedule has been posted, no changes shall be made unless an affected employee is given three (3) calendar days notice of change. The three days notice may be waived if the affected employee and the
EMPLOYER mutually agree to waive that requirement. In case of an emergency, the three days notice may also be waived. The employer shall not assign extra hours more than three (3) weeks in advance. Once extra hours have been assigned, those hours shall be scheduled hours and part of the employee’s bid.

16.3 Bidding: Three (3) times a year, (third Monday in August, first Monday in January, and the third Monday in May) all runs shall be posted for both full-time and part-time drivers. All drivers shall be given notice forty-five (45) calendar days prior to the effective date of the bidding. The first five (5) calendar days following the notice, the top five (5) senior drivers shall bid; the next five (5) calendar days, the next five (5) senior drivers shall bid; and the last five (5) calendar days, the least senior drivers shall bid. If a scheduled run remains unfilled, the EMPLOYER may assign the least senior employee to the run within ten (10) calendar days. In the event an employee has a conflict arising after the bidding process has been completed, the driver with approval of the immediate supervisor, may arrange to switch runs. It is also recognized that employees may trade with other employees if there is mutual consent and if there has been prior approval by the EMPLOYER.

16.4 Mobility Bus. The Mobility Bus routes shall be separate from the regular bidding board process. Eligibility for the Mobility Bus routes will be based upon seniority and training. The most senior driver expressing the desire to drive the Mobility Bus routes shall be scheduled for the run selected. If one or more drivers express interest in the same run, the senior employee shall be given the run. If a scheduled run remains unfilled, the EMPLOYER may assign the least senior employee to the run. Drivers performing the Mobility Bus runs shall receive $.50 per hour in addition to their regular base pay while driving the Mobility Bus run. They will receive their normal rate of pay when driving a regular route.

16.5 Full-Time Illness/Injury Leave: In the event a full-time run becomes vacant due to illness or injury for more than thirty (30) days, the senior part-time employee shall temporarily fill the full-time run.

16.6 Part-Time Termination: If a part-time employee resigns, is terminated, or takes a long-term leave of absence, then the EMPLOYER shall fill the vacated run with a newly hired employee until the next bidding schedule becomes effective, at which time the new hire would bid for a run with all other employees.

16.7 Part-Time Temporary Vacancies: For daily part-time or full-time, temporary vacancies, seniority shall be the determining factor for filling the vacant runs. This would include such vacancies as vacation, sickness, charters, or short-term leaves.

16.8 Rest Periods: All employees shall receive a minimum fifteen (15) minute rest period for each four (4) continuous hours worked. Every effort will be made to schedule this rest period during the mid-point of the employee's schedule.

16.9 Lunch Breaks: All employees who work an eight (8) hour shift shall receive a minimum, unpaid thirty (30) minute lunch break. Every effort will be made to schedule this unpaid lunch break at the mid-point of the work shift.

16.10 Paid Break Time: Any break of less than one (1) hour in an employee's schedule shall be considered hours worked, with the exception of lunch breaks.
16.11 Cancellations. All employees will receive a minimum of two (2) hours pay for reporting for scheduled work of two (2) hours or more. If the scheduled work is less than two (2) hours, then the minimum payment shall be at least fifty percent (50%) of the time scheduled. If an emergency, other than weather, occurs that in management's opinion requires cancellation of the schedule, the City must contact all affected employees at least one (1) hour prior to the scheduled time. If so contacted, the City shall not be responsible for a two (2) hour minimum pay. If an employee does not have a telephone, it becomes the employee's responsibility to contact the City to ascertain if any schedules have been canceled. If weather conditions exist which threaten the transit operation, it is the employee's responsibility to contact the City to ascertain if any schedules have been canceled.

16.12 Travel Time. The EMPLOYER shall provide transportation for drivers from River Hills Mall, college routes, and Cherry Street to the bus garage. Employees shall be paid for the five (5) minutes travel time from Cherry Street and fifteen (15) minutes from River Hills Mall and college routes.

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ARTICLE 17. RETIREMENT.

17.1 It is the policy of the EMPLOYER that all employees of the EMPLOYER be required to retire at the age of seventy (70) years; provided, however, that the City Manager may waive City rules and policy and continue the employment of an employee after his/her seventieth birthday for six (6) month periods, providing the employee has been certified by a licensed medical doctor to be capable of performing his/her duties and such continuation is deemed by the City Manager to be in the best interest of the City. If continuation is desired by the EMPLOYER, the employee shall be notified in writing at least six (6) months before such termination shall take effect. Unless so modified, the termination of the employment of the employee will be at age seventy (70).

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ARTICLE 18. OVERTIME.

18.1 All employees working in excess of eight (8) hours per day or forty (40) hours per week on a five (5) day schedule, or employees working in excess of ten (10) hours per day or forty (40) hours per week on a four (4) day schedule shall be paid at the rate of one and one-half (1-1/2) times the regular hourly rate of pay.

18.2 Anyone called in, not in accordance with their posted schedule, shall be paid a minimum of two (2) hours at the appropriate rate of pay. An extension to the employee's regular shift shall not qualify for the two (2) hour minimum pay provision of this Section.

18.3 Employees have the obligation to answer call backs if requested by employer, unless unusual circumstances prevent the employee from so answering.

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ARTICLE 19. GENERAL PROVISIONS.

19.1 The EMPLOYER reserves the right to establish work rules that are not in violation of or in conflict with the terms and conditions of this AGREEMENT. Copies of all existing work rules shall be posted on employee bulletin boards within ten (10) working days of the signing of this AGREEMENT. Any new or amended work rules will be posted as far in advance of the effective date as practicable.

19.2 An employee required by the EMPLOYER to appear before the accident review board shall be allowed representation of their choice, at the employee's cost, at above board.

19.3 The employees shall be allowed free transportation during working hours within the City of Mankato Heartland Express System.

19.4 If an employee is checked out or assigned any items, such as books, monies, or tools belonging to the City, such employee shall be personally responsible and liable for their accountability. If those items are lost or stolen, the employee will be responsible to report said incident to the appropriate authorities, as determined by management. If not complied with, the employee then accepts a personal liability for said items.

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ARTICLE 20. WAIVER.

20.1 Any and all prior agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment, to the extent inconsistent with the provisions of this AGREEMENT, are hereby superseded.

20.2 The parties mutually agree that during the negotiations which resulted in this AGREEMENT, each had the unlimited right and opportunity to make demands and proposals in respect to any term or condition of employment defined by law as bargainable. All agreements and understandings arrived at by the parties are set forth in writing in this AGREEMENT for the stipulated duration of this AGREEMENT. The EMPLOYER and the UNION each voluntarily and unequivocally waives the right to meet and negotiate regarding any and all terms and conditions of employment referred to or covered by this AGREEMENT or with respect to any term or condition covered by this AGREEMENT or with respect to any term or condition of employment not specifically referred to or covered by this AGREEMENT, even though such terms and conditions may not have been with the knowledge or contemplation of either or both of the parties at the time that this contract was negotiated or executed.

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ARTICLE 21. SAVINGS CLAUSE.

21.1 This AGREEMENT is subject to the law. In the event any provision of this AGREEMENT shall be held to be contrary to law by a court of competent jurisdiction from whose final judgement or decree no appeal has been taken within the time provided, such provisions shall be voided, provided that all other provisions of this AGREEMENT shall continue in full force and effect. Any such voided provision may be renegotiated at the written request of either party.

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ARTICLE 22. WAGES.

2000-2002 Union Pay Plan Full- and Part-Time Bus Drivers & Maintenance Workers

<table>
<thead>
<tr>
<th>Year</th>
<th>Start</th>
<th>Step 1</th>
<th>Step 2</th>
<th>Step 3</th>
<th>Step 4</th>
<th>Step 5</th>
</tr>
</thead>
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<td>$10.75</td>
<td>$11.42</td>
<td>$12.10</td>
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<td>$11.76</td>
<td>$12.46</td>
<td>$13.15</td>
<td>$13.94</td>
</tr>
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</table>

The wage schedule represents a three percent (3%) increase over the previous year’s hourly wage.

The 2000-2002 pay plan has been adjusted to reflect the 3% increase each year. On January 1 of each year, regular full-time and part-time Union employees will receive the 3% wage adjustment over their previous year’s wage. Employees will move to the next step on the pay plan on the first full pay period after their anniversary date each year. Except for those part-time employees who were hired prior to January 1, 1997. Those employees will move to Step 5 in the 2000-2002 contract on January 1, 2000, in accordance with the 1997-1999 contract. Employees who are already at the top of the pay plan (Step 5) on January 1 will only receive the 3% annual wage adjustments. The manner in which employees move through the pay plan remains the same for years 2000, 2001, and 2002.

ARTICLE 23. DURATION.

This AGREEMENT shall be effective as of the 1st day of January 2000 and shall remain in full force and effect until the 31st day of December 2002, and shall be automatically renewed from year to year thereafter, unless negotiations are instituted by June 1, 1999, or the first day of June in any effective year of this AGREEMENT thereafter.

In witness whereof, the parties hereto have executed this AGREEMENT on this _____ day of ________________, 1999.

FOR THE CITY OF MANKATO FOR UNION

_________________________________ ________________________________
_________________________________ ________________________________
_________________________________ ________________________________

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