Ottumwa Water Works AFSCME Council 61 (Mixed) 1/1/2005 12/31/2006

OTTUMWA WATER WORKS / AFSCME 05-06

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

OTTUMWA WATER WORKS

AND

**AMERICAN FEDERATION OF STATE, COUNTY,
AND MUNICIPAL EMPLOYEES, AFL-CIO
LOCAL 3659-3**

JANUARY 1, 2005 – DECEMBER 31, 2006

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AGREEMENT BETWEEN

Ottumwa Water and Hydro
and
AFSCME/Iowa Council 61, AFL-CIO, Local 3659-3

This Collective Bargaining Agreement (hereinafter referred to as "Agreement") made and entered into this 1st day of January, 2005, pursuant to the provisions of Chapter 20 of the Code of Iowa (the Public Employment Relations Act), by and between the Ottumwa Water and Hydro, a municipal corporation, organized and operating under the laws of the State of Iowa (herein referred to as "Utility") and the American Federation of State, County, and Municipal Employees, AFL-CIO, Local 3659-3 (herein referred to as the Union), for and in consideration of mutual covenants and agreements herein contained.

Whereas, this Agreement is entered into for the purpose of facilitating the peaceful and satisfactory adjustment of differences that may arise from time to time and promoting harmony and efficiency, to the end that the Utility, its employees, the Union and the general public may mutually benefit.

ARTICLE I
Definitions

The following phrases of word shall have the meanings designated where used herein:

A. "HIS" when used in this Agreement shall be interpreted to include both masculine and feminine gender;

B. "TEMPORARY EMPLOYEES" are those who are employed less than one hundred twenty (120) days;

C. "REGULAR PART-TIME EMPLOYEES" are those employees who are regularly scheduled to work less than thirty-six (36) hours per week;

D. "REGULAR FULL-TIME EMPLOYEES" are those who are regularly scheduled to work thirty-six (36) hours per week or more and are included within the bargaining unit;

ARTICLE II
Recognition and Management Rights

Section 2.01. Certified Bargaining Representative.

The Utility recognizes the Union as the certified, exclusive and sole bargaining representative of all personnel employed by the Utility as set forth in PERB certification orders, Case No. 6799, unless mutually agreed and stipulated to alter, and further agrees to negotiate and bargain exclusively with the Union through it's duly accredited officers and representatives for the following employees of the Utility:

INCLUDED: All employees of the Ottumwa Water Works including hydro plant operator.
EXCLUDED: General Manager, Office Manager, Assistant Office Manager, Distribution Department Manager, Treatment Plant Manager, and those excluded by the Act.

Section 2.02. Jurisdiction Over New Classifications.

The Utility agrees that if other classifications are established which come under the jurisdiction of the Union, the rate of pay for that classification will be negotiated.

ARTICLE III
Cooperation

Section 3.01. Union Membership and Dues.

A. Dues Check-off: The Employer agrees to deduct once each month from the pay of those employees who individually request in writing that such deductions be made. The amount to be deducted shall be certified to the Employer by the Union, and the aggregate deductions of all employees shall be remitted to AFSCME/Iowa Council 61 (4320 NW 2nd Ave., Des Moines, Iowa 50313) by the 20th of the succeeding month, after such deductions are made. Dues deductions forms shall be provided by the Union. Termination of payroll deductions of Union dues shall be made only by written request the Employer by the member at least thirty (30) days in advance of the termination date. Dues deductions cards will remain in effect until cancelled by the employee. Any increase in dues will automatically be in effect thirty (30) days from the time payroll is notified by the Union.

Check Off 2: 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 separate written authorization for PEOPLE authorization. Such authorization must be executed by the employee and may be revoked by the employee 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 an Employee from whose pay such deductions have been made and the amount deducted during the period covered by the remittance.

B. Indemnity: The Union agrees to indemnify and save the Utility harmless from and against any and all claims, suits and other forms of liability arising out of the deduction of Union dues and initiation fees, from an employee's pay. The Union assumes full responsibility for the deduction, according to the PERA, once they have been delivered to the properly designated official of the Union.

Section 3.02. Communication With Employees.

The Utility agrees to provide the Union with reasonable space on one bulletin board for the purposes of posting official bulletins relating to the business of the Union. The bulletin board shall be placed in the break room.

Section 3.03. Representation.

A. Official Representation: The Utility shall recognize as stewards or committee members representing the Union, only those employees who are officially designated in writing by the Union to the Utility.

B. Union Visitation: Should a representative for the Union, not in employment of the Utility, desire to visit working location during working hours, he/she shall notify the General Manager of the Utility, or designee, of his intention to visit, including the date and time of the visitation. It is, however, understood that the Union representative shall not unnecessarily interfere with the employee's performance of duty during the course of the visit.

ARTICLE IV
Settlement of Differences - Grievances – Arbitration

Section 4.01. Definition of Grievance Procedure.
A grievance is defined as a written complaint alleging a violation involving the application of, interpretation of or compliance with the provisions of this Agreement. A grievance may be filed and processed in accordance with the specified procedures and steps by the Union, provided the failure to file a grievance shall not be considered evidence of contractual intent. No member or group of members of the bargaining unit may refuse to follow directions pending the outcome of a grievance. An aggrieved employee shall have the right to a Union Steward appointed by the Union.

Section 4.02. Procedure.

The following procedure shall be used in the submission of a grievance as defined in Section 4.01 hereof:

A. Step 1. Should a grievance arise, the employee, with or without a steward, will discuss the matter with the employee's supervisor/department head within seven (7) working days from the date the events giving rise to the grievance occurred or the date the grievant first became aware of such event.

B. Step 2. Should the matter remain unresolved, the Union shall put the grievance in writing within seven (7) working days of the oral discussion. The grievance shall be submitted on forms furnished by the Union. Such notice shall specify the section of the contract alleged to have been violated. One copy of the grievance shall be given to the department head/supervisor. Within seven (7) working days of receiving the written grievance, the parties shall meet in an attempt to resolve the grievance. Within seven (7) working days of the grievance meeting, the department head/supervisor shall issue a written decision to the union steward, with the grievant receiving a copy.

C. Step 3. Should the decision be unsatisfactory to the employee and the Union, within seven (7) working days, the employee and the union steward shall meet with the general manager to discuss the grievance. The general manager will issue a decision to the union steward, with the grievant receiving a copy.

D. Step 4: If not resolved satisfactorily, the Union may submit the grievance to arbitration within thirty (30) calendar days after the receipt of the Step 3 decision, or,

within thirty (30) calendar days of the date the decision by the general manager should have been issued. The Union may submit the grievance to arbitration by giving written notice of such to the general manager. The Utility and the Union may agree upon an arbitrator.

If the parties are unable to agree upon an arbitrator, then the Union, within seven (7) working days of the notice to the general manager that the grievance is to submitted to arbitration, shall request that the Iowa Public Employment Relations Board submit to the parties a list of five (5) proposed arbitrators. Within seven (7) working days of the receipt of a list of arbitrators, the parties shall meet for the purpose of selecting an arbitrator from the list, which shall be accomplished by alternately striking names. The first strike shall be determined by a coin toss.

The arbitration provision of the Agreement may only be invoked with the approval of the Union and, in the case of an employee's grievance, only with the approval of the employee.

Section 4.04. Miscellaneous.

The arbitrator's decision shall be finding and binding. The authority of the arbitrator is to determine the matters of interpretation or application of the expressed provisions of the Agreement and the arbitrator shall have no power or authority to add to, subtract from, or modify any of the terms or provisions of the Agreement or issue a ruling in conflict with state law. The employer and the union shall share the arbitrator's fees and expenses equally. Each party shall be responsible for compensating its representatives and witnesses. All grievance and arbitration meetings shall occur outside the employee's normal working hours, unless both parties agree to a different arrangement.

Section 4.05. Time Limitation

Any time limitations herein may be waived or extended in writing by mutual agreement of the parties. As used herein, a working day is considered a twenty-four (24) hour period within the grievant's workweek from midnight to midnight.

If the Union fails to comply with any time limitations or extensions thereof, absent a written waiver of such time limitations, the grievance shall automatically be resolved in favor of the Utility. If utility fails to comply with any time limitations or extensions thereof, the grievance shall automatically move to the next step.

Section 4.06. Exchange of Information

The union and the Employer agree that it is important that all parties share all available information regarding grievances and to that end both agree that at each step of the grievance procedure, the parties will provide to each other copies of any written statements of witnesses, if they exist, and a list of all witnesses who have knowledge regarding the grievance. If the grievance goes to arbitration, both sides, at least forty-eight (48) hours prior to the arbitration hearing, shall exchange a list of the exhibits and witnesses each side intends to produce at the time of trial with a short statement of each witness's testimony.

ARTICLE V
Seniority - Promotion – Layoff

Section 5.01. Seniority.

The seniority of an employee shall begin on his most recent starting date of employment with the Utility. No later than January 1 of each year, the Utility shall prepare and post a list of employees ranked by seniority. The list shall contain each employee's name, classification, and seniority date. Employees shall have thirty (30) days to appeal their seniority date after which time the seniority date shall be presumed to be correct.

Section 5.02. New Classification, Jobs and Vacancies.

When the Utility establishes a new classification, job or elects to fill a vacancy, the employment opportunity shall be posted and filled according to the following procedures.

A. Determination of Vacancy. When a current job position is vacant, the Utility shall first determine whether or not the vacant position shall be filled. In the event that the Utility determines that a vacancy will not be filled, written notice of this decision shall be forwarded to the Union, including a brief explanation of the reasons for the decision. This provision, however, shall not be grievable unless the notice reveals a violation of another provision of this Agreement.

B. Posting. The employment opportunities shall be posted and the posting shall continue for three (3) working days. The job posting shall be sufficient if in writing, stating the job position which is open, the location of the work, the starting rate of pay and the description of the job. All employees of the Utility shall be eligible to bid in writing for the employment opportunity.

C. Employees Absent During Posting. A steward shall have the authority to place an absent employee's name on a bid sheet, signed and dated by the steward.

D. Factors Considered in Awarding New Employment Opportunities. After the job bidding procedure has closed, the Utility shall proceed to select an employee to fill the job which has been posted within the time limits set forth above. The job shall be offered to the most senior bargaining unit employee who bids the position and who meets the qualifications for the position, as posted. In the event that no qualified employees bid for the employment opportunity, the Utility shall be free to fill the employment opportunity by hiring a new employee who meets the qualifications of the original bid sheet. Determining qualifications shall be at the sole discretion of the Utility.

E. Award. Within ten (10) days after the conclusion of the posting, the Utility shall award the job or notify the Union of the reason for the delay. When an job is filled, the Utility shall post written notice of the award giving the name of the employee awarded the assignment, or advising that no employee has been awarded the assignment, a copy of which written notice shall be sent to the Chapter Chair of the Union. The employee receiving the job shall be transferred to the new job as soon as possible.

F. Salary After Transfer. In the event that an employee permanently transfers to a position in a different classification, he/she shall be remain at the same pay range step in the new classification as

he/she held in the old classification.

G. Qualification Period. An employee who is promoted or transferred shall be subject to a qualifying period, which shall extend for a period of one (1) month from the date of transfer. If the employee is determined to be unqualified to do the job, at the conclusion of the qualifying period, or if the employee so chooses, he shall be transferred back to his former job classification.

Section 5.03. Layoffs.

Layoffs are defined as elimination of filled positions or as reductions in hours for an individual employee. Layoffs of employees shall be made in accordance with seniority, as follows:

A. Probationary, temporary or seasonal employees. Employees who have not established seniority with the Utility shall be laid off first.

B. Regular Part-Time Employees. Thereafter, regular part-time employees shall be laid off in inverse order of their established seniority.

C. Regular Employees. Thereafter, regular employees shall be laid off in inverse order of their established seniority, but upon layoff, an employee may bump another in any classification who has less seniority, provided that the first employee is qualified to perform the job, in the judgment of the Utility.

Section 5.04. Notice.

Regular employees on seniority lists who are to be laid off shall be entitled to one (1) week advance written notice. All bumping will occur within that one week period.

Section 5.05. Bumping.

Bumping of junior employees by employees who are laid off with greater seniority shall be allowed in those cases in which the layoff extends or exceeds a period of ten (10) working days. The decision with respect to qualifications of the employees involved, shall remain the sole responsibility of the Utility.

Section 5.06. Retention of Seniority by Laid Off Employees.

Employees who have been laid off during the term of this Agreement shall maintain their Utility seniority for up to a period of eighteen (18) months, upon condition that they return to the employment of the Utility as promptly as circumstances permit, but not to exceed fourteen (14) days after notification by the Utility of its willingness to re-employ them, except by mutual agreement of the parties. It is the laid off employees' duty to keep the Local Union and the Utility advised of his current address and whereabouts.

Section 5.07. Recall of Laid Off Employees.

The recall of employees following layoff shall be done as follows:

A. Regular employees of the Utility. The last regular employee who was laid off shall be the next to be called.

B. Qualifications. In order for any regular employee to be recalled, under the provisions of Subparagraph A above, he must possess the qualifications required, and be physically able to perform the work available, in the judgment of the Utility.

ARTICLE VI
Hours of Work, Work Scheduling, Overtime and Working Conditions

Section 6.01. Pay Periods.

The pay period for employees of the Utility shall be every week. An employee's pay shall be calculated by multiplying the number of hours worked or credited during any pay period times his applicable rate of pay.

Section 6.02. Normal Work Week

The normal working hours are 7:00 am to 3:30 pm, including a one-half hour unpaid lunch period for the field personnel (except for the Operators); and 8:00 am to 4:30 pm, including a one-half hour unpaid lunch period for the office personnel; and 7:00 am to 7:00 pm (or 7:00 pm to 7:00am), including a paid lunch period for operator personnel.

The normal working schedule for full-time employees shall be a forty (40) hour workweek and an eight (8) hour workday. The normal workweek shall begin at 12:01 am on Sunday and end 12:01 am on the following Sunday. Any additional hours beyond the regular eight (8) hour work day and regular forty (40) hour workweek shall be compensated by granting the employee overtime pay at the applicable overtime rate.

Operators shall work on a rotating two week schedule, with a normal hourly total of one hundred sixty hours over that time (see Exhibit B)

Section 6.03. Normal Work Schedule.

The following is the normal schedule for work in the Utility.

A. Office employees. Office employees shall have a normal workweek consisting of five (5) consecutive eight (8) hour days, Monday through Friday.

B. Field employees. Field employees of the Utility shall have a normal workweek consisting of five (5) consecutive eight (8) hour days, Monday through Friday.

C. Operators. Water Plant Operators of the Utility shall work eighty (80) hours in a two-week period, according to Schedule B.

Section 6.04. Rest Periods and Meal Periods.

The Utility will provide one (1) fifteen (15) minute rest period each working half day to be taken at times determined by the supervisors. It is the responsibility of each employee to be punctual when returning from rest breaks.

Additionally, the Utility will provide one meal period at approximately the middle of each working day. The length and pay status of these meal periods is delineated in Section 6.05 above.

Additionally, the Employer will allow employees a ten minute clean up time prior to the employee's meal break and again prior to the end of the shift.

Section 6.05. Overtime.

A. Overtime Distribution. The Utility reserves the right to require all employees to work overtime. All overtime shall be authorized by the Utility and notice of scheduled overtime shall be posted as soon as possible. Overtime shall go to the on call crew or volunteers for that week before being assigned to others.

B. Overtime Compensation. The normal workdays shall be eight (8) hours and the normal workweek shall be forty (40) hours and hours exceeding these standards shall be compensated at overtime rates. The workweek shall run from Sunday at 12:01 am to the following Sunday at 12:01 am. Any regular full-time employee, who is required to work overtime, shall be compensated at one and one-half times the employee's regular pay rate. Employee who works over sixteen (16) hours in any twenty-four hour period or on a Sunday (other than those regularly scheduled to work on Sunday) shall be compensated at a rate two times the ordinary rate of pay. Temporary work schedule changes shall not be made for the purpose of avoiding overtime.

C. Recuperation Time. An employee who has worked sixteen (16) hours or more in a twenty-four (24) hour period shall be paid two (2) times his normal hourly rate of pay for all hours worked in excess of sixteen (16) and the employee shall continue at double time until released. An employee who received double time compensation shall be entitled to a rest period of eight (8) hours before being required to return to work. If the eight (8) hour rest period extends into employee's succeeding regularly scheduled workday, he will return to work at the end of the eight (8) hour rest period and work the balance of his regularly scheduled shift, but he shall lose no pay thereby, for his regularly scheduled shift.

Section 6.06. Temporary Assignment.

When an employee is temporarily assigned for a period not to exceed ninety (90) days to an established position in a higher salary range, he/she shall be paid at the rate equivalent to one step above his/her regular rate of pay, or the minimum rate of the higher position, whichever is greater. When an employee returns to his/her regular full-time position, he/she will be paid at the normal pay range step for that position.

Section 6.07. Call Out.

When it is necessary, as a result of a non-scheduled emergency, to call out one or more members of a department, an employee shall be paid four (4) hours at straight time call out pay or time worked, whichever is greater. The employee must report to work within thirty (30) minutes.

An employee who works less than four (4) hours on the initial call-out and is then called out a second time during the initial four hour period, shall not be entitled to any other additional call out unless the pay for the aggregate time worked for both occurrences shall exceed four (4) hours of straight time pay, in which case he shall be paid for the aggregate time worked. In the event an employee is called out for a second time after the expiration of four (4) hours from the first call-out, he shall be paid for a minimum of four (4) hours of straight time for each call-out except as provided above.

If an employee is off duty and called in for a scheduled meeting, he/she will be paid for his attendance at overtime.

Section 6.08. Standby.

There shall be an assigned two person standby crew for the Distribution Department. The standby crew shall be assigned each week. The lead person shall be paid eight (8) hours regular pay for the week and the remaining crew person shall be paid four (4) hours for the week. In addition, if they are called into work while on standby status, they shall be paid overtime (see Section 6.07) for time worked or be paid call out (see Section 6.09), whichever is greater.

Section 6.09 Meals and/or Expenses.

Employees who are required to work two (2) hours before or two (2) hours after their regularly scheduled work times, shall be entitled to meal reimbursement by the Utility. Expense reimbursements for meals will not exceed the smaller of the actual or those amounts currently permitted by the State of Iowa for its employees.

ARTICLE VII
Leaves of Absence

As a general rule, absence from duty shall relieve the Utility of any obligation to compensate the employee. However, the following shall constitute exceptions to the general rule.

Section 7.01. Sick Leave.

A. **Accrual**. Sick leave will accrue, for full-time employees, at the rate of two (2) days for each month of service. There will be a 120 day limit to the amount of sick leave that can be accumulated. If an employee is absent on sick leave for more than 50 percent (50%) of the working days in a month, he/she will not accrue sick leave for that month.

After an employee has accrued the maximum total of 120 days sick leave (960 hours) "that annual

earned accrued sick leave that was not used each calendar year shall be credited to each employees' individual Contingency Reserve Sick Leave Accrual Account on the basis of fifty percent (50%) (1/2) for contribution toward a "Disability Compensation Plan". Maximum annual accrual is twelve (12) days, ninety-six hours. This amount shall be available upon request.

B. Utilization. Sick leave shall be utilized as follows:

a) Employees, who are required to absent themselves from work to personally care for their child, spouse, or parent, may utilize sick leave with pay up to a maximum of five (5) days per calendar year after presenting a physician's certificate of illness. Such a certificate should indicate the need for the employee to care for the sick family member.

b) Time off from work for the purpose of medical and dental examinations and treatments shall be charged to sick leave up to a maximum of four (4) hours for any one appointment. Time off from work for the purpose of medical/dental examinations and treatments, and legal appointments may be charged to earned casual leave.

c) When an employee of the Ottumwa Water Works retires and is at least fifty-five (55) years of age and has been in the continuous employment of the Ottumwa Water Works for ten (10) years, the employee shall receive payment of sick leave at his current rate of pay in the amount of ½ pay for all sick leave accrued, at the date of his/her retirement. An employee's family will receive his/her sick leave benefit at the full rate in the event of his/her death.

d) Employee's pregnancies and medical recoveries shall be treated the same as any other illness or disability that prevents employees from working. They may utilize their accrued sick leave. In such event, the time shall be charged first to sick leave, vacation leave, personal time, and thereafter charged to unpaid leave of absence. Employees who wish to extend their unpaid leave of absence beyond the time medically recommended by their physician may apply for an extended leave of absence.

e) All employees are covered by the Family Medical Leave Act and by the Americans Disability Act and may use the grievance procedure outlined in this agreement to enforce such.

Section 7.02. Casual Leave

Casual leave may be accrued to the maximum of six (6) days per year, subject to the following conditions:

a) Earned at the rate of 0.5 days per month to a maximum of six (6) days per year.
b) Earned only if no sick leave is used during the month.
c) Maximum amount earned in one year is six (6) days.
d) Maximum carry over from one year to the next is four (4) hours.
e) A prior years' earned casual leave taken in the current year shall not be viewed as a disqualifying factor for earning sick leave for the month in which it is taken.
f) The Department Supervisor must pre-approve all casual leave.

Section 7.03. Funeral Leave.

Employees shall receive three (3) days paid absences due to the death of a member of the immediate

family. Immediate family member is defined as one of the following: father, mother, grandparents, grandchildren, son, daughter, brother or sister, husband or wife, father-in-law or mother-in-law, stepson, or stepdaughter. Employees shall receive two (2) days paid absences due to the death of a stepmother or a stepfather. Employees shall receive one (1) day paid absence due to the death of an aunt or uncle.

Section 7.04. Court Leave.
Fulltime employees who are required by Municipal, State, or Federal governments to perform court duty, such as being a juror or witness under subpoena, shall be granted leave for the duration of such duties at their regular rate of pay. Checks received as payment for such duty shall be endorsed by the employee and submitted to the Financial Services Department Head. The above shall not apply if the employee is a litigant in the proceedings. When employees are released from jury duty two hours or more before the end of their shift, they are expected to return to work that day.

Section 7.05 Special Leave
Special leave with full or partial pay may be granted by the General Manager for attendance at conventions, professional conferences or meetings, or for education or training purposes, when these activities are in the best interest of the Ottumwa Water Works.

Section 7.06 Union Leave
Duly elected Union delegates or alternates to the annual conventions of AFSCME/Iowa Council 61, AFSCME International, and the Iowa Federation of Labor, AFL-CIO, shall be granted time off without pay to attend said conventions. Time off taken pursuant to this Section may be charged to vacation, casual leave, or leave without pay as the individual employee may designee.

ARTICLE VIII
Holidays

Section 8.01. Designation.

The following days are designated as holidays for all employees, except part-time employees:

New Years Day	January 1
Washington's Birthday	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving	Fourth Thursday in November
Day after Thanksgiving	Fourth Friday in November
Christmas Eve	December 24
Christmas Day	December 25
New Year's Eve	December 31

Whenever a holiday falls on a Saturday, the preceding day shall be considered to be the holiday. Whenever a holiday falls on a Sunday, the following day is considered to be the holiday.

Section 8.02. Holiday Pay.

If a holiday falls on employee's first regularly scheduled day off, their preceding scheduled work day shall be considered their holiday; and if the holiday falls on the employee's second day off, their next scheduled work day shall be considered the holiday. Employees who are required to work on a holiday shall receive pay at Double Time, in addition to holiday pay. Treatment plant operators shall be entitled to sixteen (16) hours holiday pay for each recognized holiday regardless if the holiday is worked or not.

Section 8.03. Holidays During Vacation.

When a holiday occurs during an employee's vacation, it will be paid as holiday pay and not be charged against the accrued vacation.

ARTICLE IX
Vacations

Vacation is provided to employees for purposes of rest and relaxation from their duties and for attending to personal business. Absences not specifically covered by other provisions of this agreement shall be chargeable to vacation to the extent it has been accrued.

Employees shall be eligible for vacation after completion of one year of service. Vacation shall accrue monthly beginning six months from the date of entry on duty to all employees in an amount which will provide ten working days vacation after one (1) year of service, fifteen days after completion of six (6) years, twenty days after completion of fourteen (14) years, and twenty-five days after completion of twenty five (25) years.

Earned vacation will be taken during the anniversary year or be forfeited.

Unused vacation at the date of termination shall be paid at the employee's current rate of pay.

Vacation must be scheduled to provide that only one person per department may be on vacation at the same time. For purposes of this Article, the departments shall be defined as Hydro, Meter Shop, Distribution, Office, Operators, and Maintenance. Other vacation requests may be approved at the discretion of the Utility.

Seniority will be given preference in scheduling vacation. Consideration will be given to the employee's preference in scheduling vacation. Vacation shall be approved in advance of taking leave except in emergencies.

One-week vacation must be taken in its entirety. The remaining vacation may be taken in one (1) day increments.

ARTICLE X
Safety and Training

Section 10.01. Responsibilities of the Parties.

The Utility agrees to continue to provide a reasonably safe place, maintained in reasonably safe condition, in which the employees work. Authorized protective equipment, and other devices, which are reasonably necessary or legally required to properly protect the employee from injury shall be designated and provided by the Utility. Correspondingly, the employees hereby agree to be responsible for the exercise or reasonable care for their own safety while in the course of their employment with the Utility. Such responsibility shall include, but shall not be limited to, the following:

A. Care and use of equipment and vehicles owned by the Utility;
B. Protection of Utility owned property from destruction or unnecessary deterioration;
C. Utilization of required and/or provided safety equipment;
D. Obedience to designated safety rules; and
E. Reporting defective or unsafe conditions or equipment to the supervisor.

Section 10.02. Safety Glasses.

The Utility shall provide one (1) pair of prescription safety glasses once annually, per employee, providing twelve (12) months have elapsed between purchases, at a provider and of a style of the Utility's choice. The employee shall be responsible for the cost of the eye exam at a provider of the employee's choice.

Section 10.03. Work Uniforms and Outerwear.

All field employees and operators will be provided with five (5) sets of uniforms. Uniforms will be replaced upon supervisor's verification that the uniform is worn or not serviceable. The uniforms furnished are in lieu of the clothing allowance. Gloves, coveralls and all weather jackets will be provided every two (2) years or as needed at no expense to the employees who work "outside the plant" and to all operators.

Those employees who are required to wear safety shoes will be reimbursed up to $85.00 upon receipt of proof of purchase. This payment will be allowed once annually per employee, providing twelve (12) months have elapsed between purchases. The Utility shall also provide to each employee who works "outside the plant" and to operators one pair of either knee boots or hip waders upon the commencement of employment with the Utility and when the existing pair is worn out.

Section 10.04. Training.

a) Employer shall provide employees with training necessary to perform the position in which the employee is currently working. This is not a requirement that Employer pay for training to permit an employee to upgrade a license or certification.

b) Employer shall reimburse employees who successfully complete courses that upgrade an employee's skills or certification. The cost of reimbursement shall only be the tuition or course fees and the cost of the books required for the course. The courses for which reimbursement will be made are only those courses approved by the General Manager in writing, in advance. The employee shall either select a course from an approved list of courses available from the General Manager or submit the course information to the General Manager for approval.

In the event that the Employer pays to reimburse for a course for an employee and the employee leaves the employer voluntarily, then the employee shall reimburse the Employer for the cost of the tuition and books for which reimbursement was sought of the following schedule:

A. Within the first year, the entire cost of reimbursement.

B. After the first year and until the second anniversary of the reimbursement, 75% of the cost of reimbursement.

C. From the second anniversary to the third anniversary of the reimbursement, 50% of the cost of reimbursement.

D. From the third anniversary of the reimbursement to the fourth anniversary of the reimbursement, 25% of the cost of reimbursement.

E. After the fourth anniversary of reimbursement, no repayment of reimbursement is required.

c) Employer will pay for any course work, training or education that the Employer requires employees to attend.

d) Employer will pay for license fees required by a regulatory agency and will reimburse for all required Continuing Education Units (CEU) in order to keep the employee properly licensed.

e) The Employer will not pay for drivers' license fees or commercial drivers' license fees as such licenses are a condition of employment for some positions.

ARTICLE XI
Insurance

Section 11.01. Insurance Coverage Subject to Acceptance by the Insurance Carrier.

The Utility agrees to provide all regular full-time employees with the following coverage:

Full-time employees become eligible for coverage under the group insurance plan, which includes a $30,000 term life insurance policy and health and accident insurance, as provided in the master policy in force and effect and premiums for qualified dependents are paid by the Ottumwa Water Works.

A. **Basic Medical and Hospital Insurance Coverage**- The Utility shall provide basic medical hospitalization, major medical and diagnostic X-ray and laboratory medical insurance coverage. The Utility will pay for full family coverage. A few key points of coverage are:

Deductible:	$500/Single and $1000/Family	
Out of Pocket Maximum:	$1000/Single and $2000/Family	
Benefit Percentage:	In-Network:	90% after Annual Deductible
	Out-of Network:	80% after Annual Deductible

B. Prescription Drug Expense Coverage.

Benefit Percentage:	100% after Prescription Deductible
Prescription Deductible:	Generic = $5
(Applies to each prescription and each refill of a prescription)	Preferrred = $15 Nonpreferred = $25

C. **Accidental Death and Dismemberment Insurance**-Accidental death and dismemberment insurance coverage providing benefits up to twelve thousand ($12,000) for which the Utility shall pay the entire premium for all employees.

D. **Group Dental Insurance**. Utility pays for employee coverage. Employee pays $16/month for family coverage.

Deductible: $50/Single and $100/Family

Benefit Percentage:

Class I (Diagnostic and Preventive Services)	100% no deductible required
Class II (Basic Restorative Services)	80% after Annual Deductible, up to Annual Maximum
Class III (Major Restorative Services)	50% after Annual Deductible, up to Annual Deductible
Class IV (Orthodontia – limited to dependent children up to age 19)	50% after Annual Deductible

Section 11.02. Copies of Policy.

A copy of the policy purchased by the Utility to satisfy the foregoing provisions of this Agreement shall be maintained at the office of the Utility and available for inspection by employees covered by the Agreement during working hours.

Section 11.03 Retiree Insurance

The employees hired before August 1, 1992, who retire after August 1, 1993, and are not eligible for Medicare, but are entitled to receive IPERS benefits at the time of retirement, are entitled to participate in the Ottumwa Water Works' group health plan afforded to full-time employees at the time of retirement. This coverage will be provided only to those employees who have attained the age of 55 years, have been in the continuous employment of the Ottumwa Water Works for ten (10) years, and are qualified at the time of retirement to receive IPERS retirement benefits. The amount that the Ottumwa Water Works will contribute to such insurance coverage, will be the cost of a single plan coverage, identical to coverage provided to the current employees. If permitted under the master policy, the retiree may purchase dependent or family coverage at the retiree's own expense until such time as the retiree becomes eligible for Medicare, all group health benefits provided will cease subject to the provisions of COBRA. The Ottumwa Water Works will continue to contribute the cost of a single coverage under the master plan at the cost of the Medicare supplement policy for the retiree. After the retiree becomes

eligible for Medicare, no contribution will be made by the Ottumwa Water Works to the cost of insurance for retiree's spouse or dependents. At the time of the death of a retiree, any future coverage for the retiree's dependents or spouse will be covered by COBRA. Any such continuing insurance will be at the cost of the spouse or the dependent.

ARTICLE XII
Evaluation Procedures and Personnel Files

A. (Employees will be evaluated two (2) times per year. The basis of the evaluation will be the employee's job description. Evaluations will be done by the immediate supervisor.)

B. Employees shall have the right to inspect their personnel files. Access to personnel files shall be limited to management personnel, the employee, and a Union representative if so designated in writing by the Employee.

ARTICLE XIII
Discipline and Discharge

Section 13.01. Policy.

The parties recognize that the utility may discipline employees for just cause, recognizing and considering progressive discipline. The Chief Steward shall receive written notice of any written disciplinary action or measure within three (3) calendar days of the time such action is taken.

The Utility shall not discipline, discharge, suspend or give disciplinary layoff to any employee without compliance with the provisions of this Article. Further, it is agreed that reasonable fairness is objective of the parties. Therefore, the Utility's shall refrain from establishing any unreasonable rules and regulations established by the Utility.

Section 13.02. Disciplinary Procedure.

Disciplinary action will follow these steps:

1. Oral Warning for the first violation. (Not grievable and no notice to Union required)
2. Warning Notice or Written Reprimand for the second violation.
3. Suspension Without Pay for the third violation.
4. Termination for the fourth violation.

The parties agree that in the event of serious violations, discipline may be higher than the above schedule.

Section 13.03. Records.

Records of disciplinary action shall be maintained in the employee's personnel file. For purposes of determining the severity of frequency of offense, only disciplinary action taken against the employee within the previous twelve (12) months from the date of the current events shall be considered by the Utility. Disciplinary records over twelve (12) months old shall be removed from the personnel file and destroyed.

ARTICLE XIV
Impasse Procedure

The parties shall negotiate in good faith to impasse.

Impasse shall be completed so that the contract shall be completed not later than October 15 of each year that the contract is negotiated.

There shall be no fact-finding. Either party shall be entitled to ask for mediation to be supplied by the Public Employment Relations Board.

If impasse persists, the parties shall resolve the contract by final offer arbitration by an arbitrator selected from a list of five arbitrators submitted by the PERB. The decision of the arbitrator shall be final as to the impasse item submitted.

ARTICLE XV
Term, Agreement, Severability, Etc.

Section 15.01. Term Agreement.

Upon approval of the Union membership of the bargaining unit, and ratification by the Utility, this Agreement shall be effective as of the 1st day of January, 2005 and shall continue in full force and effect up to and including the 31st day of December, 2006. Further, this Agreement shall automatically continue in force and effect for subsequent annual periods, except as it may be amended, modified or altered as provided in Section 16.02 and the PERA.

Section 15.02. Amendment.

This Agreement is not subject to any addition, alteration, modification or amendment, unless the addition, alteration, modification or amendment is in writing and signed by both parties.

Section 15.03. Notice.

Whenever notice is required to be given by either of the parties to the other, the party shall do so by telegram or letter forwarded to the other at the following designated addresses or such other addresses as may be designated by either party:

A. If to the Utility: General Manager
Ottumwa Water Works
230 Turner Drive, PO Box 20
Ottumwa, IA 52501

A. If to the Union: Steve Siegel

AFSCME/Iowa Council 61
411 N. Court
Ottumwa, IA 52501

Chapter Chair, Local Number 3659-3 (add address on file with the Utility).

Section 15.04. Waiver.

The Waiver of either of the parties hereto of a breach of this Agreement by the other party shall not operate as, nor shall it be construed as, a waiver of any other breach, or of any subsequent breach.

Section 15.05. Severability.

In the event that any provision of this Agreement conflict with the existing laws of the United States or of the State of Iowa, as determined by a court of competent jurisdiction, that part of said Agreement in conflict with the law shall be deleted from this Agreement, to the extent that it violates the law. It is specifically agreed, however, that all provisions of said Agreement not in conflict with the applicable laws shall be enforceable and only that part that conflicts with the law shall be deleted. Nothing contained in this Agreement shall be construed to require the Utility or the Union to violate any applicable law. Both the Utility and the Union state that it is their intent to comply with all existing laws.

Section 15.06. Entire Agreement.

This Agreement represents full and complete understanding of the parties on each of the subjects covered herein and any prior agreements shall be deemed to be of no effect. Further, this Agreement when signed by the proper officials of the Utility and the Union shall be binding upon both parties.

IN WITNESS WHEREOF, the parties have hereunto caused this Agreement t be executed by their representatives and attested to by their respective representatives on this _____day of _____, 20_____.

OTTUMWA WATER WORKS	**AFSCME, LOCAL NO. 3659-3**
BY:_____	**BY:**_____
Chairman of Board	**Staff Representative**
BY:_____	**BY:**_____
General Manager	**Local Union Chapter Chair**

EXHIBIT "A"

PAY SCALE
1-1-05 to 12-31-05

Classification	Labor Grade	Pay Range Steps 1	2	3
Distribution Secretary	2	12.80	13.43	14.04
Customer Service Clerk	3	15.28	15.82	16.30
Billing Clerk	3	15.28	15.82	16.30
Distribution/Meter Serviceman	4	16.32	16.91	17.55
Hydro Op/Dist/Meter Serviceman	4	16.32	16.91	17.55
Treatment Plant Operator	4	16.32	16.91	17.55
Mechanic Equipment Maintenance	4	16.32	16.91	17.55
Distribution Draftsman	4	16.32	16.91	17.55
Utility Specialist I	5	18.17	18.83	19.83
Foreman	6	18.28	18.94	20.14
Utility Specialist II	6	18.28	18.98	20.14
Utility Specialist III	7	18.87	20.11	21.37

In addition to the above, each employee shall receive longevity pay in the amount of $10.00 per month for each three continuous years of service with the Ottumwa Water Works. The maximum amount of longevity pay will be $100.00 per month.

In addition, any employees holding license shall receive additional pay, as follows:

Grade 3	$35/mo.
Grade 4	$70/mo.

EXHIBIT "A"

PAY SCALE
1-1-06 to 12-31-06

Classification	Labor Grade	Pay Range Steps 1	2	3
Distribution Secretary	2	13.30	13.93	14.54
Customer Service Clerk	3	15.78	16.32	16.80
Billing Clerk	3	15.78	16.32	16.80
Distribution/Meter Serviceman	4	16.82	17.41	18.05
Hydro Op/Dist/Meter Serviceman	4	16.82	17.41	18.05
Treatment Plant Operator	4	16.82	17.41	18.05
Mechanic Equipment Maintenance	4	16.82	17.41	18.05
Distribution Draftsman	4	16.82	17.41	18.05
Utility Specialist I	5	18.67	19.33	20.23
Foreman	6	18.78	19.44	20.64
Utility Specialist II	6	18.78	19.48	20.64
Utility Specialist III	7	19.37	20.61	21.87

In addition to the above, each employee shall receive longevity pay in the amount of $10.00 per month for each three continuous years of service with the Ottumwa Water Works. The maximum amount of longevity pay will be $100.00 per month.

In addition, any employees holding license shall receive additional pay, as follows:

Grade 3	$35/mo.
Grade 4	$70/mo.

SIDE LETTER # 1

The parties agree to the following:

Normal work hours shall remain as they were on 10-1-04. However, the Utility has the right to periodically alter an employee's work hours between 7:00am and 7:00pm, to meet the special needs of the Utility.

In addition, the Utility and an employee may, by mutual agreement, alter that employee's normal work hours.

For the Utility	Date	For the Union	Date

SIDE LETTER # 2

The parties agree to the following:

Neither party will, at any subsequent time, use any collective bargaining proposals for Article V, other than those which were ultimately agreed upon by the parties and which now appear in the body of the collective bargaining agreement, in any arbitration or other adversarial encounter between the two.

For the Utility	Date	For the Union	Date