

CITY OF MINNEAPOLIS
and
**INTERNATIONAL UNION OF
OPERATING ENGINEERS
LOCAL NO. 49, AFL-CIO**

**LETTER OF AGREEMENT
Public Works Service Worker-2**

WHEREAS, the City of Minneapolis (hereinafter "Employer") and the International Union of Operating Engineers Local No. 49, AFL-CIO (hereinafter "Union"), (the Employer and Union are hereinafter referred to as the "Parties") are Parties to a collective bargaining agreement effective January 1, 2011 through December 31, 2012, awaiting the negotiation of the successor agreement, (hereinafter "those contract negotiations"); and

WHEREAS, the Parties desire to negotiate the terms and conditions of employment for the newly created classification title, Public Works Service Worker-2 (PWSW-2);

NOW, THEREFORE, IT IS HEREBY AGREED as follows below:

This Letter of Agreement preempts those contract negotiations and establishes various terms and conditions of employment associated primarily with the creation of the new title, PWSW-2, and the transitioning of current Construction Equipment Operators to the new title. All terms and conditions of employment in the collective bargaining agreement apply to the PWSW-2 title unless expressly modified by this Letter of Agreement. The principles guiding the transitions are as follows:

- The parties desire to retain as many current employees as possible;
- The parties desire to maximize assignment continuity for employees;
- The parties desire to minimize disruption;
- The parties desire to retain as much localized organizational knowledge in the department as possible;
- The parties desire to maximize work assignment flexibility.

The parties agree that where conflicts exist between this document and the CBA this document shall prevail. This Letter of Agreement outlines only those terms, conditions or additional agreements reached by the parties related to PWSW-2.

Additionally, the parties recognize that transition and/or implementation documents are often imperfect or incomplete. The parties are committed to resolving any issues that emerge that have a material effect on the work, the employees or the Employer.

AGREEMENTS ARE AS FOLLOWS:

1. COMPENSATION (The compensation is effective December 31, 2012; however, the hiring of employees will be at the discretion of the Employer.)

A. Base Wage:

\$26.35/hr.

B. Premiums:

- I. \$1.00/hr. Premium will be paid to all employees while operating a "B" rated piece of equipment.
- II. \$1.64/hr. Premium will be paid to all employees while operating a "C" rated piece of equipment.
- III. At the discretion of the employer, special arrangements regarding premium pay for certain permanent assignments may be continued, with the agreement of Local 49.
- IV. Special endorsement: A work assignment requiring a special endorsement to a Commercial Driver's License will pay a premium of \$1.50 per hour on an "as worked" basis for all hours worked. Special endorsements are "Tanker vehicle", required to operate the Flusher Truck, Fuel Truck, Oil Distributor Truck, Sewer Jetter Truck, Sewer Vacuum Truck, Sewer Jetter/Vacuum Combo Truck and vehicles with portable tanks of 1000 or more gallons capacity; "Hazardous Materials", which is currently required to operate the Fuel Truck. The Employer reserves the right to add to this equipment based on operational need or remove from this equipment if it is determined that a special endorsement is no longer required, with notification to the Union.
- V. If an employee is operating pieces of equipment that may qualify for more than one premium, only the higher of the premiums will be paid.

C. Benefits:

Regular benefits as defined by the CBA. (IUOE Central Pension Fund contribution is on top of the wage in 'A' above. All other calculations related to IUOE contributions remain the same.)

2. TESTING; ASSIGNMENT; SENIORITY

- A. All current Construction Equipment Operators must hold a Class 'B' Commercial Driver's License and will be required to pass a "physical agility" test determined by the Employer in order to be hired into the PWSW-2 classification title.
- B. The employer will provide opportunities for employees to prepare themselves for licensure and for the physical agility test.

- C. The physical agility test will be proctored by personnel who are not "front-line" (Foremen or Supervisors) employees of the Public Works Department.
- D. Employees who pass the physical agility tests will be hired into the classification title of PWSW-2.
- E. All employees who fail to pass the physical agility test in their first attempt will have until 9/7/13 to pass the physical agility test.
- F. Employees who fail the initial physical agility test will have at least two opportunities to pass the test. The Employer will schedule at least two retest opportunities for employees who fail. The first opportunity will be at least 30 days after the first test, and the second will be scheduled at the discretion of the Employer. Employees who fail the first test will be notified of the retest schedule and may select the opportunity he/she desires. If an employee selects the first retest opportunity and fails, he/she may retest at the second opportunity.
- G. Employees who are hired into the PWSW-2 title will have his/her Class seniority date established as his/her PWSW-2 promotion date to the PWSW-2 title. Current employees holding the title of Construction Equipment Operator who pass the physical agility test will use his/her current class seniority date to establish their PWSW-2 seniority date.

3. CEO's Not Qualified for PWSW-2:

- A. At the discretion of the Employer, CEO's who decline to take or fail the physical agility test may remain a CEO represented by Local 49 for the life of the collective bargaining agreement.
- B. The 2013 wage for CEO's will be adjusted by the average of the adjustment negotiated between Locals 49 for PWSW-2 and 363 for PWSW-1 and the City of Minneapolis.
- C. CEO's may be requested to perform non-CEO work for which he/she may be qualified. If there is no CEO work available, or if the CEO refuses to perform the requested work, the CEO may be released without pay. Under such circumstance, the CEO may use available vacation or compensatory time to fill in for paid time to be lost, or have the time recorded as excused, no pay status.
- D. There will be no premiums assumed to be available for CEO's. (The successor agreement will eliminate premiums except as noted in 1. B.)
 - a. Premium equipment will be first assigned to Public Works Service Worker-2's then to CEO's.
 - b. If a CEO is assigned to operate a piece of equipment that formerly paid a premium, the CEO will be paid as a PWSW-2, as appropriate, including any specialized premium available to PWSW-2, as applicable, for all hours actually worked.
 - c. CEO's assigned to operate pieces of equipment under 'b' above, will be so assigned in order of seniority within the crew, or smallest work unit, then progressing to the largest work unit, being the department.
- E. To the extent practicable CEO's will be assigned to a work division or unit. When assigned to a division or unit, CEO's will follow the work assignment and overtime

protocol of the division or unit. CEO's will have no jurisdictional rights or seniority claims to assignments or particular pieces of equipment.

4. REDUCTION IN FORCE (other titles re: right to return)

- A. Employees who were promoted from the classification title of "Construction Equipment Operator" who are reduced due to layoff will, if they meet the current minimum qualifications of the position and are able to perform the required work and a position is available, be hired into the PWSW-2 title with a seniority date of their hire date to PWSW-2.
- B. Such employees will be assigned by the Employer.
- C. Employees who promoted that do not meet current minimum qualifications will be addressed on a case-by-case basis.

5. Skid Steer and Pup Roller

When practical, CEOs or PWSW-2s will be assigned to operate skid steers and pup rollers. If no CEOs or PWSW-2s are available, the work may be performed by a qualified PWSW-1 or other qualified employee. Exceptions may be made for training purposes or emergencies. The Employer will not move or shift employees between daily assignments to accommodate this, nor does it apply to short term or intermittent needs during a shift (e.g. use a skid-steer to load a one-ton salt spreader). The employer will make a good faith effort to accomplish this.

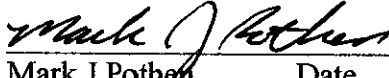
6. This Letter of Agreement will automatically sunset with the ratification of a successor agreement between the parties.

For the City of Minneapolis

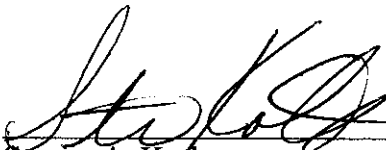
For the Union

 5/13/13

Timothy Giles Date
Director, Employee Services
City of Minneapolis

 5-9-13

Mark J Pothier Date
Area Business
IUOE Local Union No. 49

 5/14/13

Steven A. Kotke Date
Director of Public Works