

EMPLOYMENT TERMS

FOR THE

GREAT LAKES WATER AUTHORITY

This ET only applies to GLWA employees who were previously assigned to or represented by a union at the Detroit Water and Sewerage Department (“DWSD”) that does not have a collective bargaining agreement with DWSD assumed by GLWA or has not negotiated a collective bargaining agreement with GLWA.

Employment Terms

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EMPLOYMENT TERMS

1. PURPOSE AND INTENT

- A. These Employment Terms (“ET”) establish the terms and conditions of employment of certain employees at the Great Lakes Water Authority (“GLWA” or “Great Lakes Water”) who are not members of the Leadership Team. This ET only applies to GLWA employees who were previously assigned to or represented by a union at the Detroit Water and Sewerage Department (“DWSD”) that:
- (1) does not have a collective bargaining agreement with DWSD assumed by GLWA; or
 - (2) has not negotiated a collective bargaining agreement with GLWA.
- B. The purpose of this ET is to set forth wages, hours, terms and conditions of employment for the duration of this ET and to promote orderly and peaceful employment relations in the interest of serving GLWA customers.
- C. To effectuate this purpose, this ET serves to establish employment relations and workplace processes and functions that serve the interest of the community and achieve the goal of customer service excellence for citizens, businesses and visitors of the GLWA service area.
- D. GLWA shall provide equality of opportunity, consideration, and treatment of all employees of GLWA. All Employees shall be treated without regard to race, color, creed, national origin, age, political affiliation, sex, sexual orientation, marital status, or disability in accordance with applicable State, Federal and local laws. GLWA shall comply with all other applicable State, Federal and local laws and regulations.
- E. An “Employee” is defined as any GLWA employee whose employment is subject to these Employment Terms.
- F. The “Leadership Team” consists of GLWA employees who are designated as a member of the Leadership Team by the GLWA’s CEO, or his/her designee.
- G. A “Full-time Employee” is an employee regularly scheduled to work forty (40) hours per week at GLWA.
- H. A “Part-time Employee” is an employee who is regularly scheduled to work less than forty (40) hours per week at GLWA.
- I. A “unit” is an operating department within Great Lakes Water.
- J. “Employer” is defined as the Great Lakes Water Authority.

2. MANAGEMENT RIGHTS AND RESPONSIBILITIES

A. Great Lakes Water has the right to operate and manage its affairs, in all respects in accordance with its responsibilities and powers of authority as set forth in State and Federal law, and the Articles of Incorporation of Great Lakes Water Authority. The Employer shall retain the sole right to manage and operate the various work units in which Employees are employed, including, but not limited to, the sole and exclusive right to decide the number and assignment of Employees, to create and abolish positions, to determine the need for work to be performed, to maintain order and efficiency, to hire, to contract, subcontract or outsource work to be performed, and to merge or consolidate operations within Great Lakes Water or other units of government, subject only to the terms and conditions of this ET.

B. Great Lakes Water has the right to determine when overtime work is required and schedule such overtime consistent with the terms of this ET. GLWA has the discretion to assign overtime work to Employees most capable of performing the necessary work within a classification.

C. Great Lakes Water reserves the right to discipline and discharge for just cause. Great Lakes Water reserves the right to lay off Employees in its sole discretion. Great Lakes Water shall have the right to establish hours and schedules of work, and to establish the methods and processes by which such work is performed.

D. Great Lakes Water has the right and obligation to determine and establish the policies and work rules, goals and the scope of its operations. Consistent with its operational needs, Great Lakes Water may determine and implement: work schedule/shifts and work week, vacation schedules, flex time, the goals, methods and processes by which work is performed, the qualifications of Employees assigned to do the work and the rights and obligations listed below, except as specifically limited by terms of this ET or applicable law. These rights include but are not limited to:

1. Implement changes in the structure of GLWA, including the establishment or consolidation of service areas and work locations;
2. Contract, subcontract, outsource or cease functions or operations or portions thereof;
3. Initiate new functions or operations;
4. Provide appropriate training, education, performance evaluation and job assignments for Employees;
5. Establish qualifications, methods and criteria for hire, transfer, promotion and assignment in employment;
6. Revise, create, combine or eliminate classifications, duties and/or positions;
7. Discipline and discharge Employees for just cause;
8. Establish and enforce work rules and policies; adopt and enforce unit specific work rules and policies;

9. Recruit, assign, and transfer Employees, including assignments of work outside their classification;
 10. Determine the requirements related to an Employee's job functions including, but not limited to, equipment, tools, clothing and uniforms;
 11. Lay off Employees;
 12. Determine methods, means and staff requirements for departmental operations; and
 13. Control Great Lakes Water's budget.
- E. Every incidental duty connected with operations enumerated in classification specifications is not always specifically described.
- F. The CEO of Great Lakes Water, shall develop a Great Lakes Water employee training program, a Great Lakes Water employee assessment program, and a Great Lakes Water apprenticeship training program.
- G. Great Lakes Water has the sole discretion to hire contractors or outsource work.
- H. The CEO of Great Lakes Water may cause a review of the current employee classifications to be completed and shall reduce or adjust the number of Great Lakes Water employee classifications to increase workforce flexibility. Nothing in this ET shall be construed to interfere with the CEO's authority to reduce the number of employee classifications or to combine or adjust employee classifications.
- I. Great Lakes shall have the right and discretion to promote Employees. Promotions shall be based upon skill, knowledge, and ability, and then taking seniority into account.
- J. All past practices of DWSD are not binding on GLWA unless described in this ET.
- K. The Employer may excuse an Employee for certain activities pertaining to a union recognized by the Employer, such as attending grievance hearings as an Employee's representative or negotiations of a Collective Bargaining Agreement with a union recognized by the Employer.

3. GRIEVANCE PROCEDURE AND ARBITRATION

A. **DEFINITIONS:** A "grievance" is a work-related difference between Great Lakes Water and the Employee concerning a discharge, disciplinary suspension, other discipline, promotion or demotion.

A "unit" is an operating department within Great Lakes Water.

"Working days" as used in this Article shall be Monday through Friday and exclude Saturdays, Sundays and holidays.

B. **GRIEVANCE PROCEDURE:** The grievance procedure contained in this ET shall be the exclusive method for all non-probationary Employees for resolving work-related differences described in Section A and is as follows:

An Employee may request the union that previously represented him/her or another representative to process the Grievance on his/her behalf.

STEP 1: EMPLOYEE AND SUPERVISOR

Any Employee who believes that he/she has a grievance, as defined in Section A of this Article, may discuss his/her complaint with his/her immediate supervisor. The Employee shall have the right to have his/her representative present during the discussion. When the presence of the representative is desired by the Employee, he/she shall make the request to the immediate supervisor, who shall, without undue delay, make the arrangements to have the representative present. The Employee has the right to discuss the complaint with the representative prior to the discussion with his/her immediate supervisor, during the Employee's authorized breaks or before or after the shift.

STEP 2: UNIT HEAD LEVEL

Grievances involving Employee suspensions and discharges may be filed at this step initially. For other grievances, if the complaint is not satisfactorily resolved at Step 1, it shall become a grievance if the complaint is in writing or the form attached as Exhibit 2, is signed by the complaining Employee, and is submitted to the unit head within ten (10) calendar days after the occurrence of the alleged violation which gave rise to the grievance.

The written grievance shall state the nature of the grievance, the date it occurred, the Employees involved, the discipline complained about, the remedy requested, and a grievance number. The unit head will schedule a meeting within ten (10) working days of the receipt of the grievance to review the grievance with the grievant and the Representative.

The unit head will forward a written answer to the grievant within ten (10) working days of the meeting.

STEP 3: CEO LEVEL

If the grievance is not satisfactorily resolved by Step 2, it may be appealed in writing to the CEO or his/her designated representative by the Employee within ten (10) working days of the unit head's decision. A meeting shall be held at a mutually agreeable time between the Employee, his/her representative and representatives of Great Lakes Water. The meeting will be promptly arranged to take place within ten (10) working days of the appeal. The CEO or his/her designated representative will forward a written answer to the Employee within ten (10) working days of the meeting.

STEP 4: ARBITRATION

Any unresolved grievance which involves a discharge, disciplinary suspension, promotion or demotion which has been fully processed through Step 3 of this grievance procedure, may be submitted to arbitration in strict accordance with the following:

1. Arbitration shall be invoked by written notice from the grievant of the intent to arbitrate; this notice must be submitted within twenty (20) working days of the Step 3 answer. If the parties are

unable to agree upon an arbitrator within fourteen (14) working days of such notice, the grievant will secure a list of arbitrators from the American Arbitration Association within ten (10) working days. If the notice of arbitration and arbitrator selection process together exceeds sixty (60) days due to the failure of the moving party to complete its obligation as outlined herein, the grievance shall be considered settled based on Great Lakes Water's last answer.

2. The Arbitrator shall limit his/her decision strictly to the interpretation, application or enforcement of the provisions of this ET and he/she shall be without power and authority to make any decision:

- a. Contrary to, or inconsistent with or modifying or varying in any way the terms of this ET;
- b. Concerning the discipline or discharge of an employee for engaging in a strike, slowdown or stoppage of work, if the Employee exercises his/her right under Section 6 of Act 336 of the Public Acts of 1965;
- c. Granting any wage increases;
- d. Granting any right or relief for any period of time whatsoever prior to the execution date of this ET;
- e. Granting any promotion, demotion, transfer, job assignment, layoff, recall, job classification change or similar personnel transaction as relief in a discipline review case; and
- f. Contrary to Great Lakes Water's right to establish, adopt, amend, promulgate, and enforce uniform work rules for its Employees, as long as the work rules are not in violation of this ET.

The Arbitrator shall have no authority to require Great Lakes Water to delegate, alienate or relinquish any powers, duties, responsibilities, obligations, or discretions which by Federal or State law, Board actions or federal mandates Great Lakes Water cannot delegate, alienate or relinquish, nor to rule on the purchase of buildings or equipment.

The right of contracting, subcontracting or outsourcing is vested in Great Lakes Water. Nothing in this ET shall prohibit contracting, subcontracting or outsourcing. An arbitrator shall not have jurisdiction to consider an alleged violation of this ET due to Great Lakes Water's decision to contract, subcontract or outsource work previously done by the bargaining unit.

3. No settlement at any stage of the grievance procedure except for an arbitration decision, shall be a precedent in any future arbitration and shall not be admissible in evidence in any future arbitration proceeding.

4. All claims for back wages shall be limited to the amount of wages that the Employee otherwise would have earned less any compensation received for employment obtained subsequent to his/her removal from Great Lakes Water's payroll, and payments from Unemployment Insurance,

Social Security Disability, Welfare, Family Independence Agency, and Great Lakes Water-funded Long Term Disability Insurance, Sickness and Accident Insurance and Automobile Accident Income Replacement Insurance. Where appropriate, Great Lakes Water shall reimburse those agencies and insurance funds so as to not affect the Employee's equity therein.

5. The decision of the arbitrator in a case shall not require a retroactive wage adjustment in another case.

6. There shall be no appeal from the arbitrator's decision if made in accordance with his/her jurisdiction and authority under this ET. The arbitrator's decision shall be final and binding on Great Lakes Water, on the Employee or Employees, and, if represented by a union, on the union representing the Employee.

7. In the event a case is appealed to an arbitrator and he/she finds that he/she has no power or authority to rule on such case, the matter shall be referred back to the parties without decision or recommendation on the merits of the case.

8. The expenses of the arbitrator shall be shared equally by the parties. Each party shall make arrangements for and pay the expenses of witnesses who are called by them. The aggrieved and the designated representative shall not lose time or pay for time off the job while attending the arbitration proceedings.

C. **TIME LIMITS FOR ALL STEPS:** The Employee's failure to comply with the time limits described in the Article shall bar the grievance.

If a grievance is not scheduled or answered by GLWA within the prescribed time limits in this Article, the grievance shall be automatically advanced to the next step of the grievance procedure. The appeal will be considered timely if moved by the Employee to the next step within ten (10) calendar days of the date that GLWA was required to answer, or date that such answer was due. All grievances not moved to Step 4, Arbitration, within the prescribed time limits shall be considered settled based on GLWA's last answer.

An extension of the time limits of any of the Grievance Procedure steps may be granted only by mutual consent of the parties. Any grievance not appealed by the Employee in writing to the next step within the specified time limit following receipt of GLWA's answer from the previous step shall be considered settled on the basis of GLWA's last answer.

D. **BACK PAY REMEDIES:** Great Lakes Water shall not be required to pay back wages more than ten (10) working days prior to the date the written grievance is filed.

E. **ELECTION OF REMEDIES:** Disputes between Great Lakes Water and its Employees shall not be subject to litigation and potential inconsistent resolution in more than one forum. In the event that an Employee has any dispute with the Employer which has been alleged as a grievance regarding discharge, disciplinary suspension, promotion or demotion, then the sole method to resolve the dispute and the sole remedies available to any Employee are contained within this Grievance Procedure and Arbitration Article; provided that if the Employee elects to pursue any legal or statutory remedy under Federal, State or local law or administrative regulation regarding discharge,

disciplinary suspension, promotion or demotion, for alleged conduct which may also be a violation of this ET, such election shall immediately bar any further or subsequent proceedings for relief under the provisions of the Grievance and Arbitration procedure, the right to grieve shall be waived and the arbitrator shall be divested of all authority.

In the event that an Employee files such a claim, the Employee will not be entitled to seek duplicative monetary remedies through the Grievance and Arbitration procedure.

4. DISCIPLINARY PROCEDURES

- A. All disciplinary action taken against an Employee shall be for just cause.
- B. **NOTIFICATION REQUIREMENTS:** Notification shall be given to the Employee of any disciplinary action taken against him/her which may result in any official entries being added to the Employee's personnel file. The Employee shall be given a copy of such official entry.

In all cases when a supervisor contemplates issuance of disciplinary action, the supervisor shall inform the Employee and allow the Employee the opportunity to designate a representative.

When GLWA has decided to issue discipline, the Employee will be allowed adequate time and available area during authorized breaks or before or after the shift to discuss the discipline with his/her representative. In the case of a suspension or discharge, this discussion will take place prior to the Employee leaving GLWA property. Upon request, the GLWA representative who is present and issuing the action will discuss the disciplinary action with the Employee and his/her representative. Exceptions to this procedure would be in situations where the suspended or discharged Employee is absent without leave, or the parties agree that such discussion would not be beneficial at this time.

- C. All disciplinary actions, except disciplinary actions for probationary Employees, shall be subject to the grievance procedure; however, verbal warnings, written warnings or non-disciplinary counseling shall not be subject to arbitration.

Note: It shall be the responsibility of the grievant to keep GLWA informed of his/her mailing address and telephone number(s) at which he/she may be reached for purposes of notification. Certified mail to the address of record shall constitute proper notification to the grievant.

- D. Should it be necessary to reprimand an Employee, GLWA will attempt to administer such reprimand so as not to unduly cause embarrassment to the Employee.
- E. During investigation, an Employee shall have the right to request to have a representative that he/she designates present if the Employee reasonably believes that his/her statements may lead to disciplinary action.
- F. **USE OF PAST RECORD:** In imposing any discipline on a current charge, Great Lakes Water shall not take into account any prior infractions which occurred more than thirty-six

(36) months previously. However, this period shall be extended by an additional twenty-four (24) months when the current charge is a repetition of a prior infraction involving:

1. workplace violence;
2. harassment based on race, religion, disability, color, ethnicity or other characteristics protected by State, Federal or local law;
3. theft or willful destruction of the property of Great Lakes Water, DWSD, any employee, vendor or contractor;
4. being under the influence of alcohol or controlled substances during work;
5. having possession of illegal drugs during working hours (including breaks and meal periods) or on Great Lakes Water's or DWSD's premises, vehicles or the premises of customers; or
6. any offense for which a discharged Employee is reinstated, despite being found to have violated Great Lakes Water's rules.

5. HEALTH AND SAFETY

Great Lakes Water recognizes its responsibility to provide safe and healthy working conditions, and the Employee has an obligation to cooperate in the maintenance and improvement of those conditions.

6. PROBATIONARY PERIODS

A. The length of the probation period for all Employees promoted, transferred or placed into new classifications shall be twelve (12) months. Time served in the same classification at DWSD shall be credited towards the twelve (12) month period.

Probationary Employees may not appeal a discipline, disciplinary suspension, other discipline, promotion or demotion through the Grievance Procedure.

B. During an Employee's initial hire probation period, Great Lakes Water may, in accordance with the Organizational Development Unit's Rules, extend the probation period or take action to discharge the Employee as a probationary Employee unless a discharge for cause is appropriate.

7. SENIORITY

A. Great Lakes Water seniority is defined as the length of continuous service beginning on the first date of work as an Employee of Great Lakes Water, and including prior continuous service in the classified service of City of Detroit.

Seniority, as defined above, is established primarily to serve as a basis for determining the order of demotion or layoff in the event of a reduction in force.

NOTE: Seniority is not the same as “service time” as utilized for the various economic benefit provisions.

B. CLASSIFICATION: Classification Seniority is hereby defined as the Employee’s length of continuous service in his/her current classification.

C. LOSS OF SENIORITY: An Employee shall lose his/her seniority for the following reasons only:

1. The Employee resigns or quits;
2. The Employee retires on regular service or disability retirement;
3. The Employee is discharged or permanently removed from the payroll and the separation is not reversed through the grievance procedure;
4. The Employee does not return at the expiration of a leave of absence;
5. The Employee does not return to work within fourteen (14) calendar days when recalled from layoff as set forth in the recall procedure;
6. The Employee has not worked due to his/her own illness or injury for twelve (12) months or the length of his/her seniority, whichever is less;
7. The Employee has been absent for three (3) consecutive work days without contacting his/her supervisor;
8. If the Employee has not performed any work for Great Lakes Water for twelve (12) months, or the length of his/her seniority, which is less.

This provision shall not be construed to alter any rights of appeal or representation nor any other benefits to which the Employee would have been entitled if suspended or discharged.

D. SUSPENSION OF SENIORITY CREDIT: An Employee shall not lose his/her accrued seniority but shall not accumulate additional seniority credit during the following periods:

1. Leaves of absence which exceed six (6) months; or
2. Voluntary layoffs.

E. When Employees receive a status change to a different classification, they will be able to exercise total Great Lakes Water seniority in the new classification upon satisfactory completion of their probation periods.

F. RESOLVING TIES IN SENIORITY: Where two or more persons have the same seniority date, the tie shall be resolved by a coin flip.

Notwithstanding the above, in all cases of identical seniority dates, persons entitled to preference under the Michigan Veteran's Preference Act shall be deemed as having greater seniority than those employees without such preference.

8. REDUCTION IN FORCE, LAY OFF, DEMOTION, AND RECALL

- A. GLWA reserves the right to reduce the work force.
- B. NOTICE TO THE EMPLOYEE: Where practical, GLWA will provide advance notice to the Employee fourteen (14) days prior to issuance of any layoffs.
- C. ORDER OF REMOVAL: Reduction in force shall be by job classification. The following categories of employees in the class shall be removed first in the following order:
 - 1. Provisionally-hired Employees.
 - 2. Newly-hired Employees who have not completed the probationary period.
 - 3. Employees hired on a temporary or other limited term basis.
 - 4. Seniority Employees who have recently been promoted into the class and have not completed the required trial period, and Employees promoted to the class on a limited-term basis. Such Employees shall revert to the classification in the unit from which they were promoted.
 - 5. Seniority Employees who are in the class on a regular basis and have completed the required trial period. Such Employees shall be removed from the lowest level in the classification, but may not displace Employees in the same classification at higher levels, in accordance with their total GLWA seniority and have those displacement rights described below.

DISPLACEMENT RIGHTS: Seniority Employees who are being removed from a given classification shall have the following optional displacement rights:

- 1. To displace the least seniority Employee in a lower level in the same classifications;
- 2. To displace the least seniority Employee in some other classification which the senior Employee previously held within the last three (3) years, provided that they can immediately perform the duties of the new position.

In addition, Employees who are unable to displace lesser seniority employees in their classification may be transferred or demoted to other available vacant positions for which they are adjudged to be immediately qualified.

Those employees who are unable to displace lesser seniority Employees or are not status-changed to other available vacancies shall be laid off by issuance of a layoff notice.

- E. **EMPLOYEE RECALL, REEMPLOYMENT AND RESTORATION RIGHTS:** Employees will be recalled by seniority for available positions in their current classification. Any GLWA rules or procedures concerning employee recall shall not be interpreted to limit or impair GLWA's right to fill vacancies through transfer, promotion, or new hire in accordance with the Management Rights or the Transfer and Promotion provisions of this ET.
- F. **NOTICE REQUIREMENTS:**
1. Notice of recall or offer of reemployment to laid off Employees shall be sent by mail to the person's last address of record. It shall be the responsibility of the laid off Employee to notify the Organizational Development Unit immediately of any change of address. Failure of the laid off Employee to report to GLWA within five (5) calendar days of the date of the notice shall be considered a voluntary quit and result in loss of seniority unless good cause for the Employee's failure to report is shown.
 2. Exceptions to the above notice requirements shall be allowed in individual cases where the failure to give timely notice resulted from error or unforeseen circumstances beyond the control of GLWA.

9. TRANSFERS AND PROMOTIONS

GLWA shall have the right to transfer and/or promote Employees within any unit or classification or to any new unit or classification in its sole discretion that may take into account an Employee's training, education, expertise, performance, attendance, seniority, and work/discipline history, as well as any possible disruption that may result from an inter-unit transfer and whether it will impede GLWA's ability to consolidate services or units. Such transfer and/or promotion shall be on a twelve (12) month probationary period, during which time GLWA may determine that the transferred Employee is unable to perform the duties and functions of the new position and may exercise its right to transfer that person back to their old classification or to another classification.

10. CONTRACTUAL WORK

GLWA shall have the right to contract, subcontract or outsource work, or portions of work, performed by GLWA Employees and to take other actions it deems necessary to comply with all environmental laws and regulations. GLWA's decision to contract, subcontract or outsource work is not arbitrable.

11. LEAVES OF ABSENCE

- A. **FAMILY AND MEDICAL LEAVE ACT OF 1993 (FMLA):** The twelve-month FMLA eligibility period shall be defined as the twelve (12) months preceding the first day of the FMLA absence (i.e., the prior 12 months).
- B. **GLWA LEAVES OF ABSENCES:** Leaves for purposes covered under the FMLA may be extended, and leaves for other purposes may be granted, at GLWA's sole discretion pursuant to policies promulgated and modified by the Organizational Development Unit.

12. STRIKES AND LOCKOUTS

- A. **Interference with Work:** Employees shall not engage in any strike, sympathy strike, work stoppage, slowdown, refusal to cross picket lines, or otherwise neglect of, or interference of any kind with, the operations of GLWA or DWSO.

13. SEVERABILITY CLAUSE

If any Article or Section of this ET, or any Supplement thereto, should be held invalid by operation of Law or by any Tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such Tribunal, the remainder of this ET and Supplements shall not be affected thereby, and GLWA may implement a satisfactory replacement for such Article or Section.

14. EMPLOYEE ASSISTANCE PROGRAM

- A. GLWA recognizes and acknowledges that behavioral-medical problems have an adverse effect on the Employee's job performance and merits special attention. Examples of these problems include, but are not limited to, substance abuse, including alcohol and drugs, physical illness, mental or emotional illness, marital or family maladjustments and other personal problems. These behavior-medical problems impair the Employee's ability to function, and contribute to increased absenteeism and tardiness, and violations of other rules, regulations, and procedures. The combination of factors is recognized as having potentially damaging effects on the Employee, the work site and the well-being of co-workers. The Employee Assistance Program is designed to provide assistance to Employees who are experiencing behavior-medical problems that may result in deteriorating job performance.
- B. The Employer may provide an Employee Assistance Program through a third party vendor.
- C. Nothing in this statement is to be interpreted as constituting any waiver of GLWA's responsibility to maintain discipline or the right to invoke disciplinary measures when applicable in the case of misconduct which may result from or be associated with the abuse of any substance or other personal problem; Employees may exercise their right to process grievances concerning such matters in accordance with the ET.

- D. During or following treatment, the Employee should not expect any special privileges or exemptions from standard personnel practices; however, Employees with substance abuse problems or personal problems will be allowed to use sick leave for the purpose of treatment or rehabilitation upon presentation of satisfactory medical evidence.
- E. When a leave of absence is necessary so that an Employee may undergo behavioral- medical treatment for alcoholism, drug abuse, or other personal problems in or from an appropriate facility in accordance with this program, and when the Employee has voluntarily submitted himself/herself for such treatment, he/she may be granted a leave of absence if the Employee has completed one (1) year of continuous service to GLWA immediately prior to the leave.

15. MODIFICATION AND DURATION

This ET, any subsequent modifications thereof by the Employer, and any supplements thereto, shall be in effect until such time as they are modified by a collectively bargained agreement, supplement to this ET, or terms and conditions of employment imposed by GLWA after it has engaged in collective bargaining.

16. UNEMPLOYMENT BENEFITS

Employees covered by this ET shall receive unemployment benefits in accordance with the unemployment insurance plan administered by the Michigan Unemployment Insurance Agency under the Michigan Employment Security Act.

17. FUNERAL LEAVE

- A. If a death occurs among members of a Full-time Employee's immediate family, the Full-time Employee, provided he/she attends the funeral and submits documentation of such upon return to work, will be granted two (2) days leave not to be charged to sick leave. An Employee may take an additional three (3) days of funeral leave to be charged against current sick leave upon his/her request.
- B. **DEFINITION OF IMMEDIATE FAMILY:** The immediate family is defined as wife, husband, son, daughter, brother, sister, father, mother, step-father, step-mother, step-son, step-daughter, grandmother and grandfather.
- C. If a death occurs among the relatives of the Employee, the Employee will be granted one (1) day leave, not to be charged to sick leave provided he/she attends the funeral and submits documentation of such upon return to work. If the funeral which the Employee attends is more than 300 miles from the Employee's residence, the Employee may extend the leave by two (2) days to be charged against current sick leave upon his/her request.

- D. DEFINITION OF RELATIVES: Relatives are defined as grandson, granddaughter, brother-in-law, sister-in-law, uncle, aunt, mother-in-law, and father-in-law.

18. PAID TIME OFF (PTO)

The purpose of this policy is to describe GLWA's Paid Time Off system. Paid time off (PTO) provides all Full-time employees with a single bank of paid time away from work that may be used for a variety of purposes to address the employee's needs and priorities including but not limited to: vacation, personal time, personal illness, or time off to care for dependents. PTO must be scheduled in advance, and have management approval, except: (1) unplanned illness or injury of the employee, or his/her dependent or spouse; (2) a situation designated as intermittent FMLA leave; or (3) a similar bona fide unforeseeable incident. This PTO policy takes the place of any previously provided time off including but not limited to: sick leave, personal time, department leave, compensatory time, swing holidays and vacation.

Effective

Date: This Policy will take effect on January 1, 2016.

Context:

This Policy is intended to be read in conjunction with other GLWA Policies, including, but not limited to, those pertaining to leaves of absence, job performance and attendance.

Definitions:

The following terms used within this Policy have the following definitions for purposes of this Policy:

Accrual Period: October 1 through September 30 of each year except the first accrual from January 1, 2016 through September 30, 2016.

FMLA means leaves authorized under the Family and Medical Leave Act.

Full-time Employee means a GLWA employee who works a minimum of forty (40) hours per week. Full-Time Employee includes Probationary Employees and Regular Status Employees.

Non-Exempt Employee means an employee who is paid on an hourly basis and is eligible for overtime.

Probationary Employee means a GLWA employee who has been hired within the last twelve (12) months and has not yet gained status as a Regular Status Employee.

Regular Status Employee means a GLWA employee who has successfully completed the probationary period.

Temporary Employee means an employee hired by GLWA for one hundred twenty (120) days or less.

Transition Period: the time period designated by GLWA after an eligible DWSD employee accepts job placement in GLWA.

Years of Service means, (1) for former DWSD employees hired by GLWA at the latter of on or before January 1, 2016 or within sixty (60) days following the GLWA Leases' Effective Date, the employee's combined service time between DWSD and GLWA; and (2) for all other employees, the employee's service with GLWA. Years of Service do not include unpaid leaves of absences with DWSD or GLWA.

Eligibility

All Full-time Probationary and Full-time Regular Status Employees who were not DWSD employees at the time they received an offer of employment from GLWA are eligible to use PTO after six (6) full months of service. All Full-time Probationary and Full-time Regular Status Employees who were DWSD employees at the time they received an offer of employment from GLWA are eligible to use PTO immediately, as it is earned. PTO is earned on a monthly basis from the employee's date of hire and credited to an employee's PTO bank on the first day of the month following the month in which PTO was earned. Eligibility to earn PTO is contingent on an employee having either worked, received paid PTO, or some combination, for the entire month. PTO is not earned for months when unpaid FMLA or unpaid leave is taken, or when workers compensation, short- or long-term disability benefits are paid. PTO is not earned by Temporary Employees. Military leave shall be considered as time worked for purposes of this policy. PTO is earned on the following schedule:

Years of Service	
Less than 1 Full Year	Pro-rated; credit given for each 3 months worked, up to a maximum of eighteen (18) days
1-9 years	19 days/year
10-14 years	22 days/year
15-19 years	24 days/year

20-24 years	26 days/year
25+ years	28 days/year

For the first Accrual Period only (January 1, 2016 through September 30, 2016), this scale shall be prorated at seventy-five (75%) percent of the annual credit. The second Accrual Period shall begin on October 1, 2016 and shall end on September 30, 2017. All subsequent Accrual Periods will begin on October 1 and end on September 30.

Procedures

PTO should be scheduled as early as possible in advance, and must have management approval. The following will be considered an unscheduled occurrence under GLWA’s Attendance, Tardiness and Absence Without Leave Policy:

- (1) the use of PTO that is not scheduled and approved twenty-four (24) hours before the scheduled start time;
- (2) the taking of scheduled time off in excess of the time available in the Employee’s PTO bank at the time of the absence; or
- (3) an unscheduled absence that is not an approved FMLA leave.

Time off taken in excess of the amount that will be earned during the Accrual Period will be without pay.

Consecutive days will be counted as a single occurrence. PTO shall be taken in half day or full day increments.

Unscheduled time off, except for approved intermittent FMLA leave, is addressed through the performance management and evaluation process as well as through progressive discipline according to the Attendance, Tardiness and Absence Without Leave Policy.

No discipline or occurrences shall be assessed for absences due to any military service.

Use of PTO for Family/Medical Leave

Employees absent for approved FMLA leave shall use PTO available for the calendar year, and the remainder will be unpaid. However, an employee has the option to reserve up to forty (40) hours of PTO for later use. Employees who exhaust all FMLA and STD benefits and are unable to return to work may have their employment terminated at that time, in accordance with GLWA's Leave Policy.

STD Insurance

All Full-time Employees who were actively employed by DWSD at the time they received an offer of employment with GLWA will be eligible for GLWA-paid short-term disability coverage on the first day of employment with GLWA or as soon thereafter as practicable. All other Full-time Employees will be eligible for this benefit on the first day after six full months of employment with GLWA.

During the fourteen (14) calendar day waiting period until the employee is eligible for STD, the employee may elect to:

- (1) use earned PTO time; or
- (2) use his/her transition sick bank (see Transition Sick and Vacation Bank Section).

In either event, the Employee may elect to reserve up to forty (40) hours of PTO for later use. Disability conditions existing at the time of eligibility for short-term disability coverage are subject to the insurance plan's exclusions.

Payment of Unused Paid Time Off at Separation of Employment

Employees who separate from employment with GLWA under the following circumstances shall be paid in a lump sum for all earned, unused PTO at their final hourly rate:

- (1) resignation with at least a two (2) week notice;
- (2) retirement, for non-medical reasons, with at least a two (2) week notice;
- (3) retirement for medical reasons (no notice is required);
- (4) layoff without the reasonable expectation of recall.

PTO will not be paid out in a lump sum while employed. It is expected that a terminating employee will work the entire time designated by his or her notice, at the convenience of GLWA, without using PTO.

Carry-over of Accrued, Unused PTO Commencing October 1, 2016

A maximum of eighty (80) hours of earned, unused PTO shall be carried over to the next Accrual Period, effective September 30 of each year.

Remaining earned, unused PTO at the end of the Accrual Period, up to a maximum of eighty (80) hours, shall be converted to the retiree health savings program for the benefit of the employee at fifty percent (50%) of the value of PTO time at the employee's base rate in effect on September 30 of that year. This payment shall not be considered compensation for purposes of calculating GLWA's contribution to the defined contribution plan or the employee's retiree health savings account.

Any PTO in excess of one hundred sixty (160) hours will be forfeited if it is unused by September 30 of each Accrual Period, unless extenuating business circumstances have prevented the employee from taking scheduled PTO. In such cases, PTO may be carried over and taken in the first half of the next accrual period with the approval of the unit head and the Organizational Development Unit.

As an example, assume Employee A has two hundred (200) hours of earned, unused PTO on September 30, 2016:

Accrued Unused Hours	Calculation	Remaining Account Balance
Starting Balance on September 30, 2016	Assume Employee Earns \$20 per hour on September 30, 2016	200 Hours
1 st 80 Hours	Transferred to PTO Bank for October 1, 2016 – September 30, 2017	120 Hours
2 nd 80 Hours	Conversion of 50% (40 Hours) to Retiree Health Savings Account 40 x \$20 per hour = \$800 \$800 is contributed to Retiree Health Savings Account for Employee on September 30, 2016	40 Hours
Hours Above 160	40 Hours Lost	0 Hours <i>Maximum Credit for PTO Carryover is 160 Hours</i>

Transition Sick and Vacation Banks

Employees not retired from the City of Detroit

Sick Time

Employee’s sick time at the time of transition to GLWA will be placed in individual transition sick banks for each employee. The hours in the transition sick banks will be assumed by GLWA for use only as described in the next paragraph.

This bank of time will be available to cover the STD waiting period if the employee’s illness qualifies for STD benefits. The transition sick bank can also be used to bring STD or LTD benefits up to the one hundred percent (100%) level. Employees who have an extended illness must use PTO for the first four (4) work days and then must use their transition sick bank (as a supplement to STD benefits) if their illness qualifies for STD benefits. This bank of time cannot be used as compensation for absences that are ineligible for STD benefits, in lieu of STD benefits or for absences that extend beyond the scope of STD benefits.

An employee's transition sick bank shall not be paid out upon termination of employment.

A transition sick bank shall only be available for former DWSD employees who were active employees for DWSD when they received an offer of employment with GLWA.

Vacation

Any employee hired during the Transition Period shall be credited with all earned, unused vacation time credited from service with DWSD which has not been paid out. The transferred vacation hours shall be placed in a reserve vacation bank and may be used as vacation through September 30, 2016. Those transferred vacation hours must be used before earned PTO time is used.

Effective October 1, 2016, the first eighty (80) hours of the employee's reserve vacation bank shall be transferred to the employee's PTO bank. If that transfer does not exhaust the employee's reserve vacation bank, the second eighty (80) hours in that bank shall be converted to the retiree health saving program for the benefit of that employee. This conversion shall be calculated at fifty (50%) of the value of the hours at the employee's hourly base wage in effect on September 30, 2016.

If the employee has more than one hundred sixty (160) hours in his/her reserve vacation bank on September 30, 2016, that excess time shall be converted to a vacation liquidation bank, at the employee's hourly base wage in effect on September 30, 2016. That vacation liquidation bank shall be paid off, over a five (5) year period in equal increments or until the employee retires or terminates employment with GLWA, whichever comes first. This time shall not be considered as part of the employee's final average compensation from the City of Detroit's Retirement System. It also shall not be considered as compensation for purposes of calculating GLWA's contribution to the defined contribution plan or the employee's retiree health savings account.

Employees Retired from the City of Detroit

Current DWSD employees who elect to receive a Normal Retirement from the City of Detroit prior to or at the time they are hired by GLWA shall be paid out the unused, earned value of their vacation banks by DWSD, based upon their hourly wage rate at the time of retirement. Their sick leave banks shall be adjusted according to City of Detroit policy. These employees shall earn PTO time at GLWA, beginning with a zero balance, based upon their length of service with the City of Detroit. As an example:

Employee A retires with thirty (30) years of City of Detroit service: Employee A is eligible to earn twenty-eight (28) PTO days per year, beginning on the first day of service with GLWA. Employee A shall not have transition banks.

Employee B retires with ten (10) years of City of Detroit service: Employee B is eligible to earn twenty-two (22) days per year, beginning on the first day of service with GLWA. Employee B shall not have transition banks.

Employees who elect to receive a Normal Retirement from the City of Detroit after they are hired by GLWA shall have their earned, unused vacation and sick time credited as described in the preceding section.

19. WORK WEEK, WORK DAY, SHIFT PREMIUM

A. STANDARD SERVICE WEEK:

1. The standard service week for Full-time Employees shall consist of forty (40) hours of work as scheduled by the Employer within a payroll week. The standard payroll work week shall begin at 12:01 a.m. Monday, and end at 12:00 p.m. Sunday. In accordance with the Management Rights Clause, GLWA reserves the right to determine, and change start and quit times, as well as modify Employee schedules.
2. Part-time Employees shall only work during periods authorized in advance by their supervisor.
3. Off days in the work week shall be scheduled consecutively unless such scheduling shall adversely affect or add cost to operations of GLWA.

4. GLWA and the Employee will review unit work schedules which currently do not provide for consecutive off days. If the parties can agree that scheduling changes which allow for consecutive off days are feasible, such changes will be implemented, provided that such changes do not result in increased costs or loss of productivity.
5. GLWA will also review those unit operations which currently require rotating shifts. If a more productive schedule can be established without an increase in cost, GLWA will take the steps necessary to implement such schedules.

B. SERVICE DAY AND WORK DAY:

1. Two (2) coffee breaks of not less than fifteen (15) minutes per shift shall be permitted.
2. When an Employee is called to work, he/she shall be guaranteed no less than four (4) hours of pay for "show up" time at the appropriate rate.
3. A flex-time work schedule may be established in certain units where the appropriate working conditions exist.
4. Employees assigned to seven day operations shall be required to call in two (2) hours prior to the start of their shift when requesting a sick day.

C. All hourly Employees will be paid on a bi-weekly basis.

20. OVERTIME

- A. GLWA has the right to schedule overtime work and to require Employees to work mandatory overtime. Overtime shall be assigned to Employees most capable of performing the necessary work within a classification at the discretion of GLWA.
- B. All overtime shall be computed on the basis of time actually worked by the Employee.

21. HOLIDAYS AND EXCUSED TIME OFF

- A. Full-time Employees shall be entitled to the following seven holidays: New Year's Day, Martin Luther King's Birthday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.
- B. Full-time Employees shall receive eight (8) hours straight time pay for the above mentioned holidays. Where a holiday is concurrent with the Employee's sixth or seventh work day, the CEO shall have the option of paying for the holiday or granting equivalent time off with pay. When Great Lakes Water elects to give the Employee time off, said time shall be granted at the request of the Employee with the approval of the Unit head within the next full pay period.

C. A Full-time Employee shall be eligible for holiday pay or excused time day pay provided he/she shall have received at least eight hours of pay exclusive of overtime or sick leave pay the workday before and after the holiday or excused time day; further provided that the Employee continues on the payroll through the holiday or excused time day in question and would otherwise be qualified for the holiday or excused time day.

For the purpose of this Section, a Full-time Employee shall be considered off the payroll if he/she is terminated, quits, is on a formal leave of absence granted by the Organizational Development Unit (generally over thirty days), is on workers' compensation or laid off.

A Full-time Employee shall be considered off the payroll if he/she engages in work stoppage, which extends through a holiday or excused time day. All benefits under this Article will be forfeited for the holiday or excused time in question.

D. If a Full-time Employee is absent without approval on a holiday or excused time day on which he/she is scheduled to work, he/she shall receive no pay for the holiday.

E. Time and one half (1.5) will be paid for all hours worked by Full-time Employees on a holiday in addition to the straight time holiday pay due for a holiday as such.

F. Premium payments shall not be duplicated for the same hours worked.

Full-time Employees shall be granted eight (8) hours of "excused time" on:

1. Good Friday or eight (8) hours on the last scheduled paid day prior to Good Friday;
2. Christmas Eve or the last scheduled paid day prior to Christmas Eve;
3. New Year's Eve or the last scheduled day prior to New Year's Eve;
4. Veterans' Day; and
5. Day after Thanksgiving.

Employees required to work any portion of the "excused time" on these days shall receive double time pay for the hours worked, in lieu of any substitute time off. When an Employee is absent without approval for the non-excused portion of the day, he/she shall forfeit this excused time for the day.

Part-time Employees shall not be granted "excused time."

G. If a holiday or excused time day falls on Saturday, it shall be observed on the preceding Friday, and if a holiday or excused time day falls on Sunday, it shall be observed on the following Monday for all Employees except those assigned to six and seven day operations. Should two consecutive holidays or excused time days occur on a Friday and Saturday, or on a Sunday and Monday, then Friday and Monday respectively shall be designated as the official holidays or excused days.

H. If a full-time Employee engaged in six or seven day operations works either the actual calendar holiday or the substitute holiday, he/she shall receive the holiday premium, but he/she will not be allowed to pyramid holiday premium for working both days.

1. A full-time Employee assigned to a six or seven day operation may be scheduled off for the holiday on either the calendar holiday or the substitute holiday.
2. When a full-time Employee works both the calendar holiday and the substitute holiday, the day selected as a holiday for pay purposes shall be the day which allows the Employee the maximum pay credit for working both days.
3. If a full-time Employee works either the calendar holiday or the substitute holiday, but not both, he/she shall be paid holiday premium for the day worked.
4. If a full-time Employee is off sick on the calendar holiday, or the substitute holiday, or both, he/she shall receive holiday pay in lieu of sick pay on one of the two days. If he/she works either of the two days, he/she shall receive holiday premium.
5. If a full-time Employee is AWOL on the actual calendar holiday, but works the substitute holiday, he/she shall not be entitled to holiday pay or holiday premium.

I. Part-time Employees do not receive holiday pay, but may arrange to work, with management approval, an alternative day that week, if a holiday falls on a day they are normally scheduled to work.

J. Great Lakes Water shall have the option to close all or part of its facilities for the Christmas and New Year's holiday season consistent with operating needs and the public service. Employees shall have the option of using any paid time off benefit excluding sick time, for any days off during this period of official closure. If a full-time Employee has no paid time accrued, and wishes to work, Great Lakes Water will make every attempt to place an Employee in his/her department on a job assignment consistent with his/her job classification and ability to perform the work.

The optional holiday season closing dates during the period of this Agreement shall be:

December 27, 28, 29, 2016
December 26, 27, 28, 2017
December 26, 27, 28, 2018

Any scheduled time off or uses of Great Lakes Water leave days during these periods shall not be counted against the Employees' attendance records nor adversely affect their benefits.

22. JURY DUTY

A. As provided in this Article, a Full-time Employee who serves on jury duty will receive his/her regular pay for all days he/she is required to serve on jury duty and the Employee must sign over the properly endorsed jury duty service check to Great Lakes Water upon receipt.

B. In order to receive payment for jury duty a Full-time Employee must have been regularly scheduled to work on a non-overtime basis, must give reasonably prompt prior notice to his/her supervisor that he/she has been summoned for jury duty, and must furnish satisfactory evidence that he/she reported for or performed jury duty on the days for which he/she claims such payment.

C. A Full-time Employee on jury duty will be continued on the payroll and be paid at his/her straight time hourly rate for his/her normally scheduled hours of work; however, jury duty time shall not be counted as time worked for the purpose of computing overtime upon return from jury duty.

D. Part-time Employees shall not receive pay for jury duty, however, with prior approval of their supervisor, they may switch days they are scheduled to work in order to serve on a jury.

23. HOSPITALIZATION, MEDICAL, DENTAL

A. During the term of this ET, Full-time Employees, who were active employees of DWSD when they received an offer of employment from GLWA, will be eligible beginning the first day of employment or as soon thereafter as practicable to participate in the group medical, prescription drug, flexible spending, dental, and vision plans ("Medical Plans") offered by Great Lakes Water (see Exhibits I-IV). Full-time Employees who were not active employees of DWSD when they received an offer of employment with GLWA shall be eligible for their benefits after ninety (90) calendar days of employment. The Medical Plan Design will remain in place during the term of this ET.

B. Full-time Employees will be required to make monthly contributions for their benefits based upon the plan and coverage tier selected by the Employee. Monthly contributions will be deducted from Employee payroll disbursements on a pre-tax basis in accordance with applicable law.

Employees' contributions under the Great Lakes Water Medical Plan will be adjusted annually to the level necessary to maintain an 80/20 proportional share of the cost of the medical coverage, subject to the terms, conditions and limitations set forth in this Article. Under this cost sharing arrangement, Great Lakes Water will pay eighty percent (80%) of the costs of each coverage tier in the GLWA's Medical Plans, and Employees participating in each coverage tier will pay twenty percent (20%) of the costs for such coverage tier.

C. The failure of any insurance carrier(s) or plan administrator(s) to provide any benefit for which it has contracted or is obligated will not result in any liability to the City of Detroit or Great Lakes Water, nor will such failure be considered a breach by the City of Detroit or Great Lakes Water of any obligation undertaken under this ET or any other agreement. However, nothing in this ET will be construed to relieve any insurance carrier(s) or plan administrator(s) from any liability it may have to Employees or beneficiaries of Employees.

D. Notwithstanding any provision in this Article that could be construed to the contrary, this Article will not be construed to require Great Lakes Water to fall out of compliance with the requirements of Public Act 152 of 2011, MCL § 15.561, et. seq. (“PA 152”).

E. In the event a carrier eliminates one of the health care plan(s) set forth in this Article above or a plan(s) will be subject to the Cadillac Tax under the Affordable Care Act or other similar state or federal law or regulation (hereafter collectively “the Cadillac Tax”), Great Lakes Water will give notice to the Employee. GLWA shall implement the most comparable standard plan that does not result in a cost increase to Great Lakes Water to replace the plan(s) that are being eliminated or that will be subject to the Cadillac Tax.

F. GLWA reserves the right to change carriers, or to self-insure, provided that the overall level of benefits is substantially similar.

24. WORKERS’ COMPENSATION

All Employees shall be covered by the applicable Workers’ Compensation laws and GLWA’s Worker’s Compensation Policy, as may be amended at the discretion of GLWA.

Note: In order to continue hospitalization and life insurance benefits, Employees are responsible for their portion of the premium as required by this ET. Those deductions will be made automatically while they remain on the payroll. Once they leave the payroll, they must make arrangements with the Organizational Development Unit to pay those premiums in order to continue coverage.

Employees shall not be eligible for holiday pay nor earn additional vacation or sick leave when they are being paid workers’ compensation benefits.

25. SHORT-TERM AND LONG-TERM DISABILITY INSURANCE

A. Disability Insurance: GLWA shall provide Full-time Employees, who were active employees of DWSD when they received an offer from GLWA, beginning on the first day of the first full month of employment, with short-term and long-term disability insurance. Full-time Employees who were not active employees of DWSD when they received an offer from GLWA shall be eligible for these benefits on the first day of the month after three(3) full months of employment.

B. Eligible Employees shall receive short-term disability benefits of 50% of the base wages, up to a maximum of \$2,500 per week until one hundred eighty (180) days. Short-term disability benefits begin after fourteen (14) consecutive calendar days.

C. Eligible Employees shall receive long-term disability benefits after one hundred eighty (180) days. If the Employee is disabled prior to age 65 long-term disability benefits shall continue until Social Security Normal Retirement age. If the Employee is disabled on or after age 65, benefits shall be reduced based on the Employee’s age.

D. GLWA shall provide short-term and long-term disability benefits, without an employee contribution to the premium. GLWA reserves the right to select the carrier in its sole discretion. Interpretation of the policy shall be the responsibility of the insurance carrier, not GLWA.

26. LIFE INSURANCE AND ACCIDENTAL DEATH AND DISMEMBERMENT

A. Life Insurance: GLWA shall provide Full-time Employees, beginning on the first day of the first full month of employment with life insurance. The life insurance benefit shall be 1.5 times the Employee's annual earnings, calculated at the Employee's annual earnings, calculated at the Employee's base hourly wage or salary, up to a maximum benefit of \$300,000, however, the minimum benefit shall be \$50,000.

B. Accidental Death and Dismemberment: GLWA shall also provide an accidental death and dismemberment coverage to employees enrolled in life insurance coverage.

C. GLWA reserves the right to change carriers or to self-insure.

27. WAGES

A. WAGES: The classifications and wages are listed in Exhibit VI.

Great Lakes Water embraces the total compensation concept that solidifies the relationship between benefits and wage rates. In addition, Great Lakes Water has adopted a classification system that encourages individual growth and development along an established progression chart. Achievement of progression requirements (knowledge, skill and ability) within a classification, coupled with performance evaluation, is linked to an increase in wages. As Employees attain required skills, wage adjustments will be made in accordance with the Employee's performance review and the established criteria to assign specific levels within a classification.

B. All salaried Employees will have their hourly rates computed by dividing their annual salary by 2,080 hours.

C. Where by payroll error an Employee is underpaid or overpaid, Great Lakes Water may correct the underpayment or overpayment by payroll adjustment, to the extent authorized under the Michigan Wage and Fringe Benefit Act. Great Lakes Water may deduct time from the Employee's accrued vacation and sick leave banks at termination to recover an overpayment. Great Lakes Water shall notify an Employee in writing fourteen (14) days prior to making any overpayment recovery.

The correction of the underpayment shall be made within sixty (60) days after notification to the Organizational Development Unit.

For overpayment recoveries Great Lakes Water is authorized to deduct up to \$50 weekly or \$100 bi-weekly. If the Employee separates from Great Lakes Water service, the entire unpaid balance shall be recoverable immediately.

If the amount owed by the Employee is over \$2,600, Great Lakes Water reserves the right to seek immediate recovery through the appropriate legal proceedings.

28. CLOTHING AND UNIFORM ALLOWANCES

- A. For Full-time Employees who are required to wear and maintain specific clothing and/or shoes, the clothing allowance shall be \$170 every two years.
- B. For Full-time Employees who are required to furnish a specific uniform at their own expense, the allowance will be \$350 every two years.
- C. Clothing and uniform allowances will be paid by the last pay period in September.

29. RETIREMENT

A. Full-time Employees shall be eligible to participate in 1) an Internal Revenue Code Section 401(a) defined contribution retirement plan, and 2) an Internal Revenue Code Section 457(b) deferred compensation plan. Such plans shall be administered by an independent third party vendor selected by GLWA.

B. Great Lakes Water's contribution to the Section 401(a) defined contribution retirement plan shall be an amount equal to 6% of the Employee's base wages. The Employee may make voluntary pre-tax contributions to the Section 457 plan up to annual IRS limits. Great Lakes Water shall match the Employee's voluntary contribution on a dollar-for-dollar basis up to 3% of base wages. Both the 6% employer contribution and the 3% employer matching contribution will be subject to a three (3) year "cliff" vesting schedule under the Section 401(a) retirement plan.

30. RETIREE HEALTH CARE SAVINGS PROGRAM

Great Lakes Water will contribute eighty dollars (\$80) per pay period toward the cost of retiree health benefits for active full-time Employees. Those Employees shall contribute ten dollars (\$10) dollars per pay period. GLWA and employee contributions shall be deposited in a retirement health care savings program by an independent vendor selected by GLWA. Great Lakes Water's contribution shall be vested according to the terms of the plan. Account balances are designated for investment solely by the Employee. Vested account balances are available to pay for post-employment health care expenses for the participant and the participant's spouse and dependents. Great Lakes Water shall not be required to pay any additional amounts in connection with retiree healthcare for active Employees during the term of the ET.

31. PRIVATE CAR MILEAGE REIMBURSEMENT

A. RATES OF PAYMENT:

When an Employee covered by this ET is assigned to use his/her automobile to perform his or her job, he or she shall be paid mileage at the current IRS per mile rate, subject to change when that rate changes higher or lower.

B. DEFINITION OF REIMBURSABLE MILEAGE:

1. Trips from home to headquarters and back home shall not constitute reimbursable mileage.
2. Trips in either direction between home and any officially designated point (when there is no specific headquarters) shall not constitute reimbursable mileage.
3. Trips from headquarters (or from the designated starting point if the Employee has no headquarters) to a job, from job to job, and if directed, back to headquarters or starting point, shall constitute reimbursable mileage.

C. In the event of an automobile breakdown during regular working hours, the time which an Employee is allowed for servicing and repairing his automobile is to be determined by GLWA policies.

D. When an Employee covered by this ET is regularly assigned to a job which requires the use of an automobile during his normal working hours, he/she shall be required to furnish said car.

E. In order to receive mileage reimbursement an Employee must actually use an automobile on GLWA business.

F. Employees shall be subject to GLWA's Private Car Mileage Reimbursement Policy, which may be amended from time to time in the discretion of GLWA. In case of conflict, the Policy shall take precedence.

EXHIBIT I

Health Care Plan Design

MEDICAL and PRESCRIPTION DRUG

Health Plan	Blue Cross/Blue Shield PPO		Health Alliance Plan (HAP HMO)
	In-Network	Out-of-Network	In-Network Only
Premium Contribution Cost	GLWA pays 80% and Employee pays 20%		
Plan Deductible	\$750 Single \$1,500 Family	\$1,500 Single \$3,000 Family	\$750 Single \$1,500 Family
Coinsurance	20% for Selected Services	40% for all Services except Emergency Room	20% for Selected Services
Coinsurance Maximum	\$1,500 Single \$3,000 Family	\$3,000 Single \$9,000 Family	\$1,500 Single \$3,000 Family
Out of Pocket Maximum	\$6,550 Single \$13,100 Family	\$13,100 Single \$26,200 Family	\$6,350 Single \$12,700 Family
Primary Care Office Visit Copay	\$25	Plan pays 60% after Deductible	\$25
Specialist Office Visit Copay	\$25	Plan pays 60% after Deductible	\$25
Urgent Care Copay	\$25	Plan pays 60% after Deductible	\$25
Emergency Room Copay (Copay waived if admitted)	\$100	\$100	\$100
Hospital Coverage	Plan pays 80% after Deductible and \$100 Copay	Plan pays 60% after Deductible	Plan pays 80% after Deductible and \$100 Copay
Prescription Drugs			
Copay (retail, mail 2x for 90 day supply)	Generic: \$10 Copay Brand: \$35 Copay Non-Preferred Brand: \$50 Copay		

EXHIBIT II – DENTAL PLAN

Great Lakes Water will offer a fully insured Dental Plan. GLWA will pay 80% and the employee will pay 20% of the cost of the monthly premium. The Dental Plan will offer the following benefits:

Annual Individual Deductible (Class II and III Services Only)	\$0
Annual Family Deductible (Class II and III Services Only)	\$0
Class I (Preventative Care)	100%
Class II (Basic Restorative)	80%
Class III (Major Restorative)	50%
Orthodontics (includes over age 19)	50%
Annual Maximum (Class I, II, and III Services)	\$1,000
Orthodontics Maximum (Lifetime Maximum)	\$1,000

EXHIBIT III – OPTICAL PLAN

GLWA will offer a comprehensive Optical Plan. GLWA will pay 80% and the employee will pay 20% of the cost of the monthly premium. The Optical Plan will offer the following benefits:

Benefit Level	Current Plan
Exam Copay	100% coverage No Copay
Frames	\$100 Allowance No Copay
OR	
Contact Lenses – Comprehensive Eye Exam for Contact Lenses	\$45 Allowance No Copay
Contact Lenses – Conventional / Disposable	\$45 Allowance No Copay
Contact Lenses – Medically Necessary	\$90 Total Allowance No Copay
	\$90 Total Allowance Towards: Exam, Fitting and Contact Lenses
Frequency	
Exam	24 Months
Lenses	24 Months
Frames	24 Months

EXHIBIT IV – FLEXIBLE SPENDING PLAN

GLWA offers a Flexible Spending Plan and Commuter Benefits Program which permits employees to pay for eligible health, dependent care and transportation expenses on a pre-tax basis. Participation is voluntary.



EXHIBIT V

Employee Grievance Form

This form is to be used by employees of the Great Lakes Water Authority not covered by a collective bargaining agreement currently in force. The form is to be used to initiate the formal employee grievance process in accordance with the Employment Terms for the Great Lakes Water Authority: Article 9.

Upon completion, return this form to the Organizational Development Office.

Grievant (Name):	Last Four of SSN:
Job Classification:	Department Unit:
Work Phone #:	Alternate Phone:
Address:	City, State, Zip:

Grievant(s) Statement: _____

Resolution Requested: _____

Employee Signature
(please attach additional pages if required)

Date

EXHIBIT VI – WAGES

CLASSIFICATION	SALARY MIN	SALARY MAX
Accountant	\$52,924	\$104,840
Automotive Fleet Technician	\$20,530	\$58,741
Chemist	\$52,924	\$95,039
Customer Service Specialist	\$28,213	\$79,385
Electrical Instrumentation Control Technician	\$32,412	\$79,300
Engineer	\$52,924	\$116,592
Field Services Coordination Specialist	\$28,213	\$38,088
Field Services Technician	\$28,213	\$58,000
Inspector	\$41,958	\$67,108
Investigator	\$23,849	\$45,377
Maintenance Technician	\$32,412	\$58,741
Materials Management Specialist	\$32,412	\$45,377
Office Support Specialist	\$32,412	\$58,741
Plant Technician	\$32,412	\$68,200
Procurement Specialist	\$37,185	\$87,212
Security Officer	\$28,213	\$38,088
Special Projects Technician	\$16,825	\$70,000
Systems Technician	\$32,412	\$70,500
Water Technician	\$32,412	\$68,200