AGREEMENT

Between

TOWER/BREITUNG WASTEWATER BOARD (TBWB)

And

THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES

LOCAL UNION NO. 1490

JANUARY 1, 2008 - DECEMBER 31, 2008
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AGREEMENT

Entered into by and between the Tower/Breitung Joint Water/Wastewater Board (TBWB), hereinafter referred to as the “EMPLOYER”, and Local Union No. 1490, American Federation of State, County and Municipal Employees, AFL-CIO, hereinafter referred to as the “UNION”.

ARTICLE I
PURPOSE

It is the purpose and intent of the Employer and the Union to set forth herein the basic agreement covering rates of pay, hours of work, and conditions of employment, so as to promote peaceful relations and to achieve the highest level of employee performance possible.

ARTICLE II
DEFINITION OF EMPLOYEE

Section A.
The term “regular employee” as used in this Agreement, shall mean any employee who has been employed by the Tower-Breitung Joint Water/Wastewater Board or appointed to work for the Tower-Breitung Joint Water/Wastewater Board by an authorized supervisor or department head and who works regularly full-time or regularly part-time.

A full-time employee is an employee who works or is paid for 35 hours per week or 70 hours per pay period or more.

A part-time employee is an employee who works or is paid for less than 70 hours per pay period and is eligible under the State Public Employee Relations Act for inclusion in the bargaining unit.

ARTICLE III
RECOGNITION

The Employer recognizes Local 1490, AFSCME, Minnesota Council 65, American Federation of State, County and Municipal Employees, AFL-CIO, as the exclusive representative for collective bargaining purposes for all employees of the Tower/Breitung Joint Water/Wastewater Board (TBWB).
Fair Share fee:

In accordance with M.S. I 79A.06, Subd. 3, as amended, any employee included in the appropriate unit who is not a member of the exclusive representative may be required by the exclusive representative to contribute a fair share fee for services rendered by the exclusive representative. The fair share fee for any employee shall be in an amount equal to the regular membership dues of the exclusive representative, less the cost of benefits financed through the dues and available only to members of the exclusive representative, but in no event shall the fee exceed 85% of the regular membership dues.

The exclusive representative shall provide written notice of the amount of the fair share fee assessment to the TBWB and to each employee to be assessed the fair share fee.

A challenge by an employee or by a person aggrieved by the assessment shall be filed in writing with the TBWB and the exclusive representative within thirty (30) days after receipt of the written notice. All challenges shall specify those portions of the assessment challenged and the reasons therefore, but the burden of proof relating to the amount of the fair share fee shall be on the exclusive representative. The TBWB shall deduct the fee from the earnings of the employee and transmit the fee to the exclusive representative thirty (30) days after the written notice was provided or, in the event a challenge is filed, the deductions for a fair share fee shall be held in escrow pending a decision on the challenge. Any fair share fee challenge shall not be subject to the grievance procedure.

The exclusive representative hereby warrants and covenants that it will defend, indemnify and save the TBWB from any and all actions, suits, claims, damages, judgments and executions or other forms of liability (liquidated or unliquidated) which any person may have or claim to have, now or in the future, arising out of or by reason of the deduction of the fair share fee specified by the exclusive representative.

ARTICLE IV
CHECKOFF OF UNION DUES

The Employer agrees to deduct from the paycheck of each employee who has signed an authorized payroll deduction card a sum certified by the Secretary of Local 1490, which are Union dues or initiation fees of the Union; such deductions to be made once each month, and to transmit to AFSCME Council 65 the total amount so deducted. Deductions may be terminated by an employee giving thirty (30) days written notice to the Employer and the Union, or upon termination of employment.

ARTICLE V
HOURS OF WORK

Section A.

The normal hours of work for the full-time employees of the TBWB shall be eight (8) hours per day and forty (40) hours per week. All hours worked in excess of eight (8) hours per day or forty (40) hours per week shall be compensated for at time and one-half (1-1/2).
Due to the Water and Wastewater plants necessity to operate on a year around 24 hour non-stop basis in order to provide and meet the services of the TBWB populous as to Water and Wastewater treatment, it is understood by all parties of this Agreement that the employees or their properly assigned substitute are on an on-call basis at all times when they are not actually working their normal work shift. It is further understood that any work hours performed after the employee has worked his/her normal eight (8) hour shift, or in excess of forty (40) hours per week, at the employee’s option, shall be compensated on a time and one-half (1-1/2) basis and/or may be taken as compensatory time off at such time as the needs of service permit. Such compensatory time shall be computed at the rate of one (1) hour worked equals one and one-half (1-1/2) hours accrued compensatory time. Maximum accrual shall be as provided under the Fair Labor Standards Act.

ARTICLE VI
HOLIDAYS

Section A.
All regular full-time employees shall receive the following paid holidays:

- New Year’s Day
- President’s Day
- Good Friday
- Memorial Day
- Fourth of July
- Martin Luther King Day
- Labor Day
- Veterans day
- Thanksgiving Day
- Christmas Day
- Employee’s Birthday

When a holiday falls on a Saturday, the previous Friday shall be observed as the holiday. When a holiday falls on a Sunday, the following Monday shall be observed as the holiday.

Section B.
Regular full-time and part-time employees who are required to work on any of the above holidays shall be compensated at the regular hourly rate of pay for their work that day in addition to their holiday pay.

Section C.
When a paid holiday falls during an employee’s vacation period, he shall receive an additional day of paid vacation.

Section D.
One (1) personal leave day each year, non-accumulative.
ARTICLE VIII
VACATIONS

Section A.
All regular full-time employees shall earn annual vacation at their regular weekly rate of pay as follows:

<table>
<thead>
<tr>
<th>Weeks of Paid Vacation</th>
<th>Years of Service</th>
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<tbody>
<tr>
<td>I week</td>
<td>after 1 year</td>
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<tr>
<td>2 weeks</td>
<td>after 2 years</td>
</tr>
<tr>
<td>3 weeks</td>
<td>after 5 years</td>
</tr>
<tr>
<td>4 weeks</td>
<td>after 10 years</td>
</tr>
</tbody>
</table>

One additional day for each year after twelve (12) years.

Upon termination of employment for any cause, employees shall be paid for any accumulated vacation credit, including pro rata payment for a period of less than one year, providing he gives a two week written notice.

Section C.
The vacation period of an employee shall not be split, except by mutual consent of the parties.

Section D.
Vacation time shall not accumulate from one calendar year to another unless other arrangements are mutually agreed upon by the employee, the Employer and the Union. An employee shall not, under any circumstances, be required to work for the Employer during his/her vacation without such employee’s consent.

ARTICLE IX
SICK LEAVE

Section A.
All regular full-time employees shall earn sick leave at the rate of one and one-quarter (1-1/4) days per month of service, accumulative to 120 working days.

All regular part-time employees shall earn sick leave at the rate of four (4) hours per month of service, accumulative to 120 working days, provided however, part-time employees shall not receive any cash value for accrued unused sick days upon termination of employment.

Sick leave shall also be granted for sickness or other medical reasons in the employee’s immediate family (mother, father, children, brother, sister, spouse and spouse’s immediate family). This leave shall be granted up to three (3) days.

Section B.
After three (3) consecutive days absence from work due to illness or accident, the Employer shall have the right to insist on a doctor’s certificate confirming the employee’s inability to work. If such a certificate is not furnished when demanded, the Employer shall have the right to refuse any sick leave allowance.

Section C.
The Employer will pay for all physical examinations required by the Employer or by any State rules or regulations.
Section D.
When an employee is receiving sick leave compensation, any amounts received by him as temporary total disability under Workmen’s Compensation Laws shall be deducted from such sick leave compensation.

Section E.
No sick leave credit will be accrued while an employee is away from work due to leave of absence, sickness or disability, nor will sick leave pay be allowed during leave of absence or during layoff, except as provided in Section F below.

Section F.
Sick leave pay credit shall cease on the day preceding the day on which the employee retires. If an employee becomes ill or injured while on vacation, the scheduled vacation time is counted as vacation; and, if the disability continues beyond the scheduled time of the vacation, sick leave pay (any remaining sick leave credit) will begin on the first consecutive scheduled working day after the end of the scheduled vacation.

Section G.
Two (2) days absence without loss of pay shall be allowed an employee in the case of death in the immediate family. Immediate family shall be defined as spouse, children, parents, sisters, brothers, grandparents or grandchildren of either the employee or his/her spouse.

ARTICLE X
SENIORITY

Section A.
All regular employees working for the TBWB as outlined in the bargaining unit of the Recognition Clause shall be covered by this Agreement and placed on the seniority list.

Section B.
Seniority standing is to be determined on the basis of total length of continuous service for the Employer. All new employees shall be placed on the seniority list after the completion of a six-month probationary period. At the end of such six-month probationary period, the employee shall be entitled to seniority from their first day of employment.

During such six-month probationary period, employees may be discharged by the Board without cause and without same causing a breach of this Agreement or constituting a grievance hereunder.

Section C.
An employee shall lose his seniority standing upon voluntary resignation from employment or upon discharge for cause. An employee’s seniority shall not be terminated because of absence due to illness, authorized leave of absence, or temporary layoff.

Section D.
In the event of a layoff, employees shall be laid off according to seniority in the inverse order of hiring. Employees shall be rehired according to seniority in the inverse order of layoffs.
Section E.
In the case of a reduction of force or the elimination of a position, a senior employee may exert his seniority preference over a junior employee in any classification of work, provided he has the necessary qualifications to perform the duties of the job involved.

Section F.
Temporary vacancies exceeding two (2) consecutive weeks (14 calendar days) may be filled by senior qualified employees. In the event said vacancy has a higher rate of pay, qualified employees filling such vacancy shall receive such higher rate of pay when such an appointment is made, provided the duties of the higher paid classification are assigned by the manager or his supervisor.

Section G.
Notice of all vacancies and newly created positions shall be posted on employee bulletin boards, and the employees shall be given seven (7) days time in which to make application to fill the vacancy or new position. The senior employee making application shall be transferred to fill the vacancy or new position, provided he/she has the necessary qualifications to perform the duties of the job involved. The Employer shall provide the Union Steward with a copy of said posting, inclusive of the name of the employee awarded the position. The board shall make the determination as to whether or not an applicant possesses the necessary qualifications. In the event the Union does not concur in the determination, the applicant shall have the right of appeal through the normal grievance procedure. Newly created positions or vacations are to be posted in the following manner: The type of work, the place of work, the rate of pay, the hours to be worked and the classification.

Section H.
The seniority list shall be brought up to date on January 1 of each calendar year and posted on employees' bulletin board. A copy of the seniority list shall be sent by mail to the Staff Representative of AFSCME Council 65.

ARTICLE XI
LEAVE OF ABSENCE

A leave of absence shall be granted only by mutual agreement of the Board and the Union.

ARTICLE XII
PROGRESSIVE DISCIPLINE

Employees shall not be disciplined, suspended or terminated except for just cause. Except in cases of gross misconduct, the Employer shall observe measures of progressive discipline:
Discharges, demotions or transfers to a lower classification shall be made only for just cause. The Union Grievance Committee and the employee affected shall receive prior notice in writing of any such action. If the Union feels the action was taken without just cause, the employee shall have the right of appeal through the normal grievance procedure.

ARTICLE XIII

BULLETIN BOARD

The Board will erect and maintain a bulletin board of reasonable size to be placed in each location where employees report for work, as may be mutually agreed upon between the Union and the Board, which bulletin boards shall be for the use of the Union to post any notice or document relating to Union affairs.

ARTICLE XIV

GRIEVANCE PROCEDURE

The Employer will attempt to adjust all grievances which may arise by virtue of this Agreement or a circumstance or condition thought to be unjust and grounds for complaint or resentment, in the following manner:

Step 1: First, an immediate effort shall be made to adjust the grievance between the Board and the grievant and/or the Union Representative.

Step 2: In the event no settlement is reached within 10 days of the Step I informal discussion, the grievant and/or the grievant’s Union representative shall present a written statement of the grievance to the TBWB Grievance Committee. Such written notice must be given within thirty (30) calendar days after the grievant should reasonably have learned of the event giving rise to the grievance. The Board Grievance Committee and the grievant and/or the Union Representative shall meet to discuss the matter and make an honest effort to resolve the grievance at this level. The Board Grievance Committee shall provide a written response to the Union Representative and the grievant within fourteen (14) calendar days following the Step 2 meeting.

Step 3: In the event no settlement is reached at Step 2, the written grievance shall be presented to the full Board for discussion in an attempt to resolve the matter. The TBWB Board shall provide a written response to the Union Representative and the grievant within ten (10) calendar days following the Step 3 meeting.

Step 4: In the event no settlement is reached at Step 3, a mediator may be secured to attempt resolution of the matter.

Step 5: In the event no settlement is reached, the grievance or dispute shall be submitted to arbitration as provided by Minnesota Statutes. The fees and expenses of the neutral arbitrator shall be divided equally between the Employer and the Union. The decision of the arbitrator shall be final and binding upon the parties.

Duly authorized representatives of the Union shall have the right to accompany the Union Grievance Committee at all times in the discussion of grievances.
ARTICLE XV
GENERAL PROVISIONS

Section A.
The management of the TBWB and the direction of the working forces, the operation of said Board, including the hiring, promoting and retiring of employees, the suspending, discharging or otherwise disciplining of employees, the laying off and calling to work of employees in connection with any reduction or increase in the working forces, equipment and other property of the Board, are the exclusive functions of the Employer; provided, however, that in the exercise of such functions, the Employer shall not alter any of the provisions of this Agreement.

Section B.
The Employer agrees to permit the negotiating or grievance committee to appear at Board meetings in negotiations or disputes without the loss of pay.

Representatives of the American Federation of State, County and Municipal Employees, AFL-CIO, shall have access to the premises of the Employer at reasonable times and subject to reasonable rules to investigate grievances and other problems with which they are concerned.

Section C.
Any matter that is not a grievance and not covered by this Agreement shall be settled by negotiations between the TBWB and the Union. All grievance issues shall follow the procedure as outlined under Grievance Procedure.

Section D.
The Employer will inform the Union prior to any layoff.

Section E.
The Wage and Salary Schedule shall be attached to this Agreement as Appendix “A” and shall become a part of this Agreement.

The Employer provided insurance schedule shall be attached to this Agreement as Appendix “B”.

Section F.
All full-time employees shall receive one (1) personal leave day each year.

Section G.
The Employer shall provide the Union Steward with a copy of all bargaining unit job descriptions and keep the Union appraised of any change in such descriptions.

Section H.
Employees who are required to attend TBWB meetings shall receive their regular rate of pay for said meetings.

Section I.
There shall be no replacement of regularly employed employees by voluntary or relief workers, contracted employees, or work program employees without the prior written consent and approval of the Union.
Section J

If an employee is selected to serve on jury duty or is subpoenaed as a witness for TBWB related matters, the employee will notify the Employer as soon as possible after receipt of notification. The employee will turn in the amount of jury duty pay received, and the Employer shall pay the employee his/her regular pay (calculated as per the employee’s regularly scheduled hours). Pay received for mileage allowance shall not be considered as part of the jury duty pay to be submitted to the Employer. The Employer may ask to have the employee excused from jury duty. When subpoenaed, the employee shall be compensated his/her daily wage for each day he/she provides testimony and/or is required to prepare for such testimony.

ARTICLE XVI
DURATION OF AGREEMENT

The terms and provisions of this Agreement shall become effective as of January 1, 2008, and shall continue in full force and effect until December 31, 2008, and thereafter from year to year unless either party shall give written notice to the other party sixty (60) days before annual expiration date of its desire to terminate or amend said Agreement.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed this ___ day of __________, 2008.

WITNESSETH AS TO FIRST PARTY:   TBWB:

_________________________________  __________________________________
Chairperson  Witness

_________________________________
Secretary

WITNESSETH AS TO SECOND PARTY:  AMERICAN FEDERATION OF STATE, COUNTY & MUNICIPAL EMPLOYEES AFL-CIO, MINNESOTA COUNCIL 65 LOCAL UNION #1490

_________________________________
Staff Representative  Witness

_________________________________
Matt Tuchel
APPENDIX “A”
WAGE AND SALARY SCHEDULE

Effective January 1, 2008:

<table>
<thead>
<tr>
<th>Start</th>
<th>Step 1</th>
<th>Step 2</th>
<th>Step 3</th>
<th>Step 4</th>
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<td>$16.27</td>
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<td>$17.17</td>
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<td>$18.57</td>
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Effective with the new wastewater treatment plan going on-line, Matt Tuchel started at step 1 of the matrix. He shall advance according to the above schedule. Mr. Tuchel shall advance through the matrix in accordance with each subsequent anniversary hire date of employment.

Each Step I through Step 5 represents one (1) year of service.
After each year of service, for five years, the employee’s wage increases to the next step. The employee’s wage shall increase to Step 6 after completing nine (9) years of service.

The employee in the position of full-time water/wastewater operator (Matt Tuchel) shall receive an additional $110.00 per month for 2008 for the inconvenience of being on call for weekends and hours after the close of the employee’s work day.
APPENDIX “B”

INSURANCES

I. Hospitalization and Medical Insurance

Full-time employees shall receive 100% of both single and dependent coverage premium payments. Any increase in premium on premium contract date shall be borne by the TBWB.

Upon retirement, the unused portion of sick leave accrued by an employee shall be applied toward the payment of hospital medical/dental insurance plans in effect at the time of retirement or, in the case of an employee retiring at age 65, the supplemental insurances shall be paid from said plan, until such time as these funds are depleted, at which time the employee shall be responsible for the payment.

2. Dental Insurance

The TBWB agrees to provide full-time employees with a dental plan of an 80/20 nature, and full payments of premiums shall be provided by the TBW, both single and family.

An Employee, in lieu of taking the Employer sponsored dental insurance plan, may opt to have the Board pay his/her dental bills up to an amount equal to the annual cost of Employer payments that would otherwise have been made for the Board’s dental insurance plan.

3. Life Insurance

The TBWB shall provide and make premium payments for a group term life insurance policy for full-time employees as follows:

Full-time employees $20,000 policy

Full-time employees shall be provided with a $1,500.00 paid-up policy at age 65.

4. Life insurance, hospital and medical, and dental coverage shall be provided by the Employer during disability, sick leave and vacation. The Employer agrees to pay the above premium cost of group life insurance, hospitalization and medical and dental coverage for all employees who perform work during any month or are on paid sick leave, vacation or who are unable to work due to a compensable injury or certified disability.

5. If there should be any increase in the premium rates or any increase in the benefits of any of the insurance programs, such increase in benefits and the payment for any such increase in rates will be picked up by the Employer.