



LABOR AGREEMENT

BETWEEN

CITY OF PRIOR LAKE, MINNESOTA

and

**COUNCIL #5, LOCAL 3884
AMERICAN FEDERATION OF STATE,
COUNTY AND MUNICIPAL EMPLOYEES
(AFL-CIO)**

January 1, 2026 – December 31, 2027

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ARTICLE 1: PREAMBLE

This agreement entered into by the City of Prior Lake, hereinafter referred to as the EMPLOYER, and Local 3884 affiliated with Council 5, and the American Federation of State, County, and Municipal Employees, AFL-CIO, hereinafter referred to as the Union has, as its purpose the promotion of harmonious relations between the EMPLOYER and the Union; the establishment of an equitable and peaceful procedure for the resolution of differences; and the establishment of rates of pay, hours of work and other conditions of employment.

ARTICLE 2: RECOGNITION

2.1 The EMPLOYER recognizes the Union as the exclusive representative for a unit of employees of the City of Prior Lake composed as follows:

All Employees of the City of Prior Lake, Minnesota, who are public employees within the meaning of Minnesota Statute 179A.031, subdivision 145, excluding supervisory, confidential and essential employees per BMS Case No. 93-PCE-1260.

2.2 In the event the EMPLOYER and the Union are unable to agree as to the inclusion and exclusion of a new or modified job class, the issue will be submitted to the Bureau of Mediation Services for determination.

2.3 The EMPLOYER shall not enter into any agreements covering terms and conditions of employment with employees of the bargaining unit under the jurisdiction of the agreement, whether individually or collectively, which in any way conflict with the terms and conditions of the agreement except through the certified representative.

ARTICLE 3: DEFINITIONS

3.1 The terms used in this agreement shall be defined as follows:

- A) Base rate of pay: The employee's hourly or monthly pay rate exclusive of overtime premium pay or special allowance.
- B) City Employment Anniversary Date: The date when the employee began performing services for the City of Prior Lake as a regular part-time or regular full-time employee. The base date for calculation of applicable benefits such as vacation leave, ESST leave, insurances, and of "employer seniority" and, in many instances, "classification seniority", and, where applicable, of probation.
- C) Days: Unless otherwise indicated, means working days exclusive of holidays.
- D) Demotion: A change by an employee from a position in one work classification to a position in another classification with less responsible duties and a lower salary range.
- E) Department: A division of the City of Prior Lake government.
- F) Emergency: A situation or occurrence of a serious nature developing suddenly and unexpectedly and demanding immediate action as determined by the EMPLOYER.
- G) Employee: A member of the exclusively recognized bargaining unit as defined in this Agreement.
- H) Employee Representative: For the purposes of this Article the Employee Representative is AFSCME Council 5.
- I) EMPLOYER: The City of Prior Lake and its designated representatives.

- J) Exempt Position: A salaried position exempt from the provisions of the federal Fair Labor Standards Act.
- K) Full Time Employee: An employee who has completed their probationary period and who works at least forty (40) hours per week on an annual basis.
- L) Layoff: Separation from service with the EMPLOYER, necessitated by lack of work, lack of funds or other reasons without reference to incompetence, misconduct or other behavioral considerations.
- M) Leave of Absence: An approved absence from work duty during a scheduled work period with or without compensation.
- N) Overtime: Work performed, at the express authorization of the EMPLOYER in excess of forty (40) hours per week.
- O) Part-time Employee: An employee who has completed their probationary period and who is regularly scheduled to work less than forty (40) hours per week on an annual basis.
- P) Position Anniversary Date/Performance Review Date: The date when the employee began performing services for the City in the current position. The base date from which "department seniority" and, in some instances, "classification seniority", and, where applicable, the probation period calculated. This date will also be used as the Performance Review Date.
- Q) Probationary Employee: an employee placed in a new position through hiring, or transfer who has not completed six (6) months of employment in that position.
- R) Promotion: A change of an employee from a position in one work classification to a position in another work classification with more responsible duties and higher salary range.
- S) Pyramiding: The payment of more than one form of premium compensation for the same hours worked.
- T) Regular Employee: A member of the exclusively recognized bargaining unit defined in this Agreement who has completed the required probationary period for newly hired or re-hired employees.
- U) Satisfactory Evaluation: A rating of three (3) or higher on the Performance Evaluation form. A "three (3)" is defined as a fully qualified performer.
- V) Seniority: Length of service established by Article 6.
- W) Temporary / Seasonal Employee: For the purposes of this contract, an employee who works less than 140 working days in a January 1 through December 31 calendar year and is designated by the EMPLOYER as seasonal or temporary.
- X) Union: The American Federation of State, County and Municipal Employees (AFSCME), Council 5, AFL-CIO.
- Y) Union Member: A member of AFSCME, Council 5, Local 3884.
- Z) Union Officer/Steward: An officer elected or appointed by AFSCME, Council 5, Local 3884, AFL-CIO.

ARTICLE 4: UNION SECURITY

- 4.1 The EMPLOYER agrees to deduct from the wages of employees, who individually authorize such deduction in writing, dues and collective bargaining fees established by the Union, and any amount of "fair share" contribution as may be authorized by law. The EMPLOYER will remit monthly such deductions to the Union with a list of the names of the employees from whose wages the deductions were made. The Union shall certify to the EMPLOYER in writing the amount of dues to be withheld.

- 4.2 The Union agrees to indemnify and hold the EMPLOYER harmless against any and all claims, suits, orders or judgments brought or issued against the EMPLOYER, as a result of any action taken or not taken by the EMPLOYER under the provisions of this article.
- 4.3 The EMPLOYER agrees to furnish and maintain a bulletin board for the posting of Union notices. The Union shall limit its bulletin board postings to official Union notices.
- 4.4 The EMPLOYER agrees to recognize, upon certification from the Union, three (3) stewards. Employees may designate any steward for their representative functions provided that once a steward is selected for a specific action, the designated steward will not normally be changed.
- 4.5 Non-employee representatives of the Union shall be permitted to come on the premises of the EMPLOYER for the purpose of investigating and discussing grievances provided the Union Representative does not interfere with the work of employees.

ARTICLE 5: EMPLOYER AUTHORITY

- 5.1 The EMPLOYER retains the full and unrestricted right to operate and manage all personnel, facilities, and equipment; to determine the utilization of technology; to establish and modify the organizational structure; to select, direct and determine the number of personnel; to establish work schedules, and to perform any inherent managerial function not specifically limited by this AGREEMENT.
- 5.2 Any term and condition of this employment not specifically established or modified by this AGREEMENT shall remain solely within the discretion of the EMPLOYER to modify, establish or eliminate.

ARTICLE 6: SENIORITY

- 6.1 Types of seniority: There shall be three types of seniority established by the AGREEMENT.
 - A) *Employer Seniority*: The total length of continuous service with the City.
 - B) *Department Seniority*: The total length of service within a specific department or division of City service.
 - C) *Classification Seniority*: The total length service within a work classification.
- 6.2 Breaks in Seniority: An employee's seniority shall be broken by voluntary resignation, discharge, retirement or 18 months after layoff with no recall.
- 6.3 Seniority shall determine the order of:
 - A) *Layoff*: which shall be by classification within the City, in inverse order of classification seniority, unless the senior employee is unable to perform the work as outlined in the job description. However, an employee about to be laid off shall have the right to bump (displace) any employee in a lower classification, provided that the EMPLOYER determines the job relevant qualification factors between employees are equal.

- B) For the purposes of layoff, the following classifications shall be considered one:
- Park Maintenance, Streets Maintenance, and Utilities Maintenance
- C) *Recall from layoff*: Which shall be by classification within the City, in inverse order of layoff, provided that, if an employee does not return to work upon recall, as directed by the EMPLOYER, or on an extended date mutually acceptable to the employee and the EMPLOYER, she/he shall automatically have terminated their employment. Recall notification shall be by registered or certified mail to the employee's last known address for an indefinite layoff and shall be contained in the layoff notice for layoffs for a definite period. An employee's name shall be retained on the recall list for eighteen (18) months, at which time all rights to recall shall terminate.
- 6.4 The EMPLOYER shall issue written notice of an indefinite layoff at least ten (10) calendar days in advance of layoff and will meet and confer with the Union to attempt to minimize the impact of the layoff on unit members. The EMPLOYER shall issue written notice of recall from an indefinite layoff to affected employees, providing at least seven (7) calendar days to return to work. An indefinite layoff shall be defined as a layoff made for an indeterminate period at the time of notice or any layoff of forty-five (45) or more days. The EMPLOYER may layoff an employee for a definite period of forty-four (44) days or less by giving written notice to the affected employees.
- 6.5 Temporary and seasonal employees in the same department and classification shall precede regular employees in layoff. No new employees shall be hired in a work classification within a department where there are employees on layoff status until all laid off employees have been recalled in accordance with the provisions above.
- 6.6 The EMPLOYER is committed to hiring the most qualified candidate for City service. When all other qualifications are equal, the EMPLOYER shall select the applicant with the greater service seniority for the job opening. Positions where employees are reclassified shall not be considered vacant or newly created for the purpose of this section.

ARTICLE 7: JOB POSTING

- 7.1 The EMPLOYER reserves the right to advertise for any and all position openings. The EMPLOYER agrees to provide a written posting in a conspicuous place on the department bulletin board, at least five (5) business days exclusive of holidays prior to filling such vacant or newly created position so that the employees may indicate by their interest in the job vacancy an application before the advertised deadline.
- 7.2 Promotion from within: The EMPLOYER supports the concept of promotion from within the job classifications for the designated bargaining unit when the candidate:
- A) Has the necessary qualifications to meet the standards of the job vacancy.
 - B) Has the ability to perform the duties and responsibilities of the job vacancy, and,
 - C) Is the most qualified candidate for the position as determined through recruitment, testing and interviews. Such determination shall be solely made by the EMPLOYER.

ARTICLE 8: GRIEVANCE PROCEDURE

- 8.1 Definition of a Grievance: A grievance is defined as a dispute or a disagreement, as to the interpretation or application of the specific terms and conditions of this AGREEMENT.
- 8.2 Processing a Grievance: It is recognized and accepted by the EMPLOYER and the Union that the processing of grievances as hereinafter provided is limited by the job duties and responsibilities of the employees and shall therefore be accomplished during normal working hours only when consistent with such employee duties and responsibilities. The aggrieved employee and the Union representative shall be allowed a reasonable amount of time without loss of pay when a grievance is investigated and presented to the EMPLOYER during normal working hours provided the employee and the Union representative have notified and received the approval of the EMPLOYER and who has determined that such absence is reasonable.
- 8.3 Procedure: Grievances, as defined by Article 8.1 shall be resolved in conformance with the following procedure.
- Step 1. An employee claiming a violation concerning the interpretation or application of this contract shall, within ten (10) calendar days after such alleged violation has occurred, present such grievance to the Employee's immediate supervisor. The grievance shall be placed in writing and set forth the nature of the grievance, the facts on which it is based, the provision or provisions of the contract allegedly violated, and the remedy requested. The immediate supervisor shall respond to the grievance within ten (10) calendar days of receipt of the written grievance. The Union may appeal the immediate supervisor's answer to Step 2 within ten (10) calendar days of the answer in Step 1. Any grievance not appealed in writing to Step 2 by the Union within ten (10) calendar days shall be considered waived.
- Step 2. If appealed, the written grievance shall be presented by the Union and discussed with the employee's department head. The department head shall give the Union the EMPLOYER's answer in writing within ten (10) calendar days after receipt of such Step 2 grievance. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) calendar days following the department head's answer in Step 2. Any grievance not appealed in writing to Step 3 by the Union within ten (10) calendar days shall be considered waived.
- Step 3. If appealed, the written grievance shall be presented by the Union and discussed with the City Manager. The City Manager, or their designee shall give the Union the EMPLOYER's answer in writing within ten (10) calendar days after receipt of such Step 3 grievance. If grievance is not resolved in Step 3, it may be appealed to Step 4 within ten (10) calendar days of receipt of the City Manager's or their designee's answer in step 3. Any grievance not appealed in writing to Step 4 by the Union within ten (10) days shall be considered waived.
- Step 3A. Prior to submission of a dispute to arbitration, the Union may request that the dispute be mediated through the services of the Bureau of Mediation Services. If the EMPLOYER agrees to mediation, the timelines set forth in Step 3 to appeal to Step 4 shall be tolled until the completion of the mediation.

- Step 4. A grievance unresolved in Step 3 and appealed to Step 4 shall be submitted to arbitration subject to the provisions of the Public Employment Labor Relations Act of 1971. The selection of an arbitrator shall be made in accordance with the "Rules Governing the Arbitration of Grievance" as established by the Bureau of Mediation Services.
- 8.4 Arbitrator's Authority: The arbitrator shall have no right to amend, modify, nullify, ignore, add to or subtract from the terms and conditions of this contract. The arbitrator shall consider and decide only the specific issue(s) submitted in writing by the EMPLOYER and the Union, and shall have no authority to make a decision on any other issue not so submitted. The arbitrator may not ignore the language of the agreement, to pursue the rules of the shop or other considerations beyond the scope of the written agreement. The arbitrator shall be without power to make decisions contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules or regulations having the force and effect of law. The arbitrator's decision shall be submitted in writing thirty (30) days following the close of the hearing or the submission of briefs by the parties, whichever be later, unless the parties agree to an extension. The decision shall be binding on both the EMPLOYER and the Union and shall be based solely on the arbitrator's interpretation or application of the express terms of this agreement and to the facts of the grievance presented.
- 8.5 Arbitrator's Fees: The fees and expenses for the arbitrator's services and proceedings shall be borne by the EMPLOYER and the Union, provided that each equally be responsible for compensating its own party's representatives and witnesses. If either party desires a verbatim record of the proceedings, it may cause such a record to be made, providing it pays for the record. If both parties desire a verbatim record of proceedings, the cost shall be shared equally.
- 8.6 Waiver: If a grievance is not presented within the time limits set forth above, it shall be considered "waived". If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the EMPLOYER'S last answer. If the EMPLOYER does not answer a grievance or an appeal thereof within the specified time limits, the Union may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step. The time limit of each step may be extended by mutual agreement of the EMPLOYER and the Union.
- 8.7 Choice of Remedy: If, as a result of the written EMPLOYER's response in Step 3 or mediation in Step 3A, the grievance remains unresolved, and if the grievance involves the suspension, demotion or discharge of an employee who has completed the required probationary period, the grievance may be appealed either to Step 4, or a procedure such as: Civil Service or Veterans Preference. If appealed to any procedure other than Step 4, the grievance is not the subject of the arbitration procedure as provided in Step 4. The aggrieved employee shall indicate in writing which procedure is to be utilized, Step 4, or any other appeal procedure, and shall make a statement to the effect that the choice of any other hearing precludes the aggrieved employee from making a subsequent appeal through Step 4.

ARTICLE 9: DISCIPLINE

- 9.1 The EMPLOYER will discipline non-probationary employees for just cause. Discipline will be in one or more of the following forms: (1) Oral reprimand, (2) Written reprimand, (3) Suspension, (4) Demotion, (5) Discharge.
- 9.2 Notice of suspensions, demotions, and discharge will be in written form and will state the reasons for the action taken. The Union will be provided with a copy of all written reprimands, notice of suspensions, demotions or discharges with the approval of the disciplined employee.
- 9.3 Written reprimands, notices of suspensions and notices of discharge which are to become a part of an employee's personnel file shall be read and acknowledged by signature of the employee. The employee will receive a copy of such reprimands and notices.
- 9.4 Employees may examine their personnel files at reasonable times under the direct supervision of the EMPLOYER.
- 9.5 An Employee will not be questioned concerning the disciplinary action without a Union Steward present if the employee requests the presence of a Union Steward.

ARTICLE 10: PROBATIONARY PERIODS

- 10.1 All newly hired or re-hired employees will serve a one (1) year probationary period subject to a satisfactory or better performance evaluation from the Employee's supervisor. The Employee will be notified of any extensions and the reasons for the extension prior to the end of the initial probationary period. At any time during the probationary period a newly hired or re-hired employee may be disciplined or terminated at the sole discretion of the EMPLOYER and employee shall have no recourse to the grievance procedure regarding discipline or termination. A probationary employee, however, shall have the right to bring a grievance alleging a violation of any other provision of the contract.
- 10.2 All employees promoted or transferred will serve up to a six (6) month probationary period for any job classification in which the Employee has not previously completed a probationary period. Successful completion of the probationary period is subject to a satisfactory or better performance evaluation by the EMPLOYER. During the first forty-five (45) days of the probationary period, a promoted or reassigned Employee may return to their former position upon giving notice to the EMPLOYER. An Employee may be required to return to their former department and rate of pay at the sole direction of the EMPLOYER during the probationary period.

ARTICLE 11: WORK SCHEDULES

- 11.1 The provisions of this Article shall apply to non-exempt employees under the Fair Labor Standards Act.
- 11.2 The normal work week shall be forty (40) hours Monday through Friday. Nothing herein shall be construed as a guarantee of hours of work per day or per week.
- 11.3 The normal work year shall be 2,080 hours per year.

- 11.4 Work Shift: Work shifts, flex time arrangements, staffing schedules and the assignment of Employees thereto shall be established by the EMPLOYER.
- 11.5 Work Schedule Changes: The EMPLOYER will give seven (7) calendar days advance notice of change in work schedule. In the event that work is required because of unusual or emergency circumstances such as, but not limited to, snow, sleet, fire, flood or breakdown of municipal equipment or facilities, no advance notice need be given.
- 11.6 It is recognized that service to the public may require establishment of non-regular shifts for some employees on a daily, weekly, seasonal or other basis than the normal work week or day and the schedule may include Saturdays, Sundays or evenings.
- 11.7 Work Breaks: Employees shall receive one (1) unpaid thirty (30) minutes lunch break at the middle of their shift and two paid fifteen (15) minute breaks per eight (8) hour shift. With the approval of the EMPLOYER, an employee may use both fifteen (15) minute breaks in the first half or second half of a shift or combine them with their unpaid lunch break.

ARTICLE 12: WORK RULES

- 12.1 The EMPLOYER shall have the right to establish work rules that are not in conflict with this agreement.

ARTICLE 13: WORKING OUT OF CLASS

- 13.1 An employee who is specifically assigned to perform work which is at a higher classification shall receive their regular rate of pay for the first ten (10) consecutive working days of such work and shall receive the minimum of the range of the higher classification or three (3) percent of the employee's salary, whichever is greater, for each day thereafter. In no case shall the out of class pay exceed the maximum of the salary range of the higher classification. For the purposes of this Article an out of the class position is one which has a higher range minimum than the employee's position.

ARTICLE 14: OVERTIME

- 14.1 Definition: All hours worked by non-exempt employees in excess of forty (40) per week shall be considered overtime. A week is defined as Sunday through Saturday.
- 14.2 Overtime Rate: All employees shall be compensated for all overtime hours worked at the rate of time and one-half (1.5) the employee's base pay rate. Employees may elect to receive overtime as compensatory time off to be utilized within the same calendar year during which overtime has accrued. Use of compensatory time shall be subject to the prior approval of the EMPLOYER. Maximum compensatory time accumulated at any one time shall not exceed sixty-four (64) hours. Any unused compensatory time will be paid out in the last paycheck for December.

- 14.3 No Pyramiding of Hours: The base pay rate or premium compensation shall not be paid more than once for the same hours worked under any provisions of this AGREEMENT nor shall there be any pyramiding of premium compensation.
- 14.4 Overtime shall be voluntary except in emergencies or when the required employees are not available on a voluntary basis. If there are no volunteers sufficient for a work assignment, the City will assign the overtime to employees at the discretion of the EMPLOYER.
- 14.5 Public Works scheduled rounds on Saturday and Sunday shall be paid a minimum of one (1) hour sewer and one (1) hour water and shall follow Articles 16.4 and 17.6 for Holiday pay.
- 14.6 If a non-exempt, full-time or permanent part-time public works employee is called in to perform snow removal services, the employee shall be entitled to a shift differential of one and one-half times (1.5) the employee's regular rate of pay for hours worked outside of the employee's normal work hours. (Example: If an employee's normal work hours are 7:00AM to 3:00PM and the employee is called in to work from 2:00AM to 10:00AM, the employee receives the shift differential between 2:00AM and 7:00AM, and the normal rate of pay between 7:00AM to 10:00AM.) Nothing in this provision changes the application of the overtime rate to hours worked after eight (8) hours.

ARTICLE 15: CALL BACK PAY

- 15.1 An Employee called to work at a time other than the Employee's regularly scheduled shift will be compensated at a minimum of two (2) hours pay at one and one-half (1.5) the Employee's current base pay. Between 9:00PM and 7:00AM, an Employee called to work will be compensated at a minimum of three (3) hours pay at one and one-half (1.5) time the Employee's current base pay. Extensions, changes in shifts, or call to report to work early shall not qualify for call back pay.

ARTICLE 16: ON-CALL DUTY

- 16.1 Employees directed by the Employer to be on-call Monday through Friday will be compensated for a minimum of one and one-half (1.5) hours for each day on which they are on-call, of which employees may elect one (1) hour per day be accrued as compensatory time off. Employees directed by the Employer to be on call Saturday, Sunday or Holidays (*excepting Thanksgiving Day, Christmas Day and New Year's Day*) will be compensated for a minimum of two and one-half (2.5) hours for each day on which they are on-call, of which employees may elect two (2) hours per day be accrued as compensatory time off. All compensation under this Article 16.1 will be paid at one and one-half (1.5) of the Employee's normal rate of pay.
- 16.2 Employees who receive business phone calls while on call shall be compensated for hours worked to the nearest 15-minute increment at one and one-half (1.5) times their base rate of pay.
- 16.3 In addition to on call pay, Employees scheduled to work on the days they are directed to be on call shall be paid at one and one-half (1.5) of the Employee's normal rate of pay.

- 16.4 Call outs while on call will be paid for a two (2) hour minimum at the rate of one and one-half (1.5) of the Employee's normal rate of pay.
- 16.5 An Employee assigned to be on call or who is called in to work on Thanksgiving Day, Christmas Day and New Year's Day (actual day rather than City-recognized holiday), shall be compensated at two times (2x) the Employee's normal rate of pay for the two (2) hours on call minimum hours and the hours worked, plus holiday compensation at their base rate of pay (up to eight hours), but in no case shall the total compensation amount to more than three times (3x) the employee's base rate of pay.
- 16.6 For the purposes of Article 16, Holidays will refer to the actual day of the Holiday, not the city recognized day of the Holiday.

ARTICLE 17: HOLIDAYS

- 17.1 The EMPLOYER shall recognize twelve (12) paid, eight (8) hour holidays as specified below:

New Year's Day	January 1st
Martin Luther King Day	3rd Monday in January
President's Day	3rd Monday in February
Memorial Day	last Monday in May
Juneteenth	June 19th
Independence Day	July 4th
Labor Day	1st Monday in September
Veteran's Day	November 11th
Thanksgiving Day	4th Thursday in November
Friday following Thanksgiving	Friday following Thanksgiving
Christmas Eve Day	December 24th
Christmas Day	December 25th
Two (2) Floating Holidays	

- 17.2 Floating Holidays: All regular full-time employees shall be eligible for two (2) floating holidays as of January 1, 2015. Scheduling of an Employee's floating holiday shall be by mutual agreement between the Employee and their supervisor. A floating holiday cannot be carried over from one year to the next.
- 17.3 A full-time employee shall be eligible for holiday pay provided that they are on paid status on the scheduled workday immediately prior to the holiday and the scheduled workday immediately after the holiday.
- 17.4 When a holiday, as designated in this Article, falls on Sunday, the following day (Monday) shall be considered the holiday. When a holiday, as designated in this Article, falls on a Saturday, the preceding day (Friday) shall be considered the holiday. An employee, regardless of their work schedule, shall receive the same number of holidays as an employee whose normal work week is Monday through Friday.

- 17.5 Non-exempt full-time employees assigned and required and/or called in by the EMPLOYER to work on a holiday as designated in this Article, *excepting Independence Day, Thanksgiving Day, Christmas Day, and New Year's Day (actual day rather than the City recognized holiday)*, shall receive overtime compensation at one and one-half (1.5) times their base rate of pay for worked, plus the holiday compensation at their base rate of pay (up to eight (8) hours), but in no case shall the total compensation amount to more than two and one-half (2.5) times the employees base rate of pay.
- 17.6 Non-exempt full-time employees assigned and required and/or called in by the Employer to work on Independence Day, Thanksgiving Day, Christmas Day, and New Year's Day (actual day rather than the City recognized holiday), shall receive overtime compensation at two times (2x) their base rate of pay for hours worked, plus holiday compensation at their base rate of pay (up to eight hours), but in no case shall the total compensation amount to more than three times (3x) the employee's base rate of pay.
- 17.7 Holiday Snowplow Pay: Employees will be paid at an additional rate of \$2.00/hr when called to perform snow clearing duties on Thanksgiving Day, Christmas Day, and/or New Year's Day which is in addition to the compensation at two times (2x) the Employee's base rate of pay, plus holiday compensation at their base rate of pay (up to 8 hours).

ARTICLE 18: VACATION (FULL-TIME EMPLOYEES)

- 18.1 Full-time employees shall accrue vacation leave on a pro-rata monthly basis on the following annual schedule:

Full-Time Employees	
<u>Years of Service</u>	<u>Hours Accrued per Year</u>
Start until 3 full years	80
Start of the 4 th through the 9 th year	120
Start of the 10 th through the 14 th year	160
Start of the 15 th year	168
Start of the 16 th year	176
Start of the 17 th year	184
Start of the 18 th year	192
Start of the 19 th year and thereafter	200

- 18.2 Scheduling vacation time: Department heads are responsible for scheduling the vacation leaves of their employees. Vacation of over two days should be scheduled at least three (3) weeks in advance. Employees are encouraged to give one (1) week notice for one (1) to two (2) vacation day requests.
- 18.3 Accumulating vacation time: Full-time employees may carry accrued vacation leave balances equal to two times their annual vacation earnings. For example, an employee earning two (2) weeks of vacation time annually, will be allowed to carry a vacation balance

up to four (4) weeks. Accruals exceeding the maximum balance shall be considered lost on December 31st of each year.

- 18.4 At the discretion of the EMPLOYER, employees who are hired on or after January 1, 2021, may accrue vacation leave under the annual schedule commensurate with the employee's previous years of service in a directly equivalent position, not to exceed 120 vacation hours upon hire and until the employee is eligible for an increase in vacation hours under the annual schedule. In this Article, "directly equivalent position" shall mean a position with the same or virtually the same duties and responsibilities, as determined by Employer.

ARTICLE 19: EARNED SICK & SAFE TIME (FULL-TIME EMPLOYEES)

- 19.1 All full-time employees, including probationary employees, shall earn and use Earned Sick and Safe Time (ESST) in compliance with Minnesota "Earned Safe and Sick Time" (ESST) laws, effective on January 1, 2024, as outlined in the City's Personnel Policy.
- 19.2 Full-time Employees shall earn ESST at a rate of one eight (8) hour day per month.
- 19.3 Full-time Employees may accumulate the unused portion of ESST to a maximum of 720 hours.
- 19.4 Once a year, full-time Employees who have accumulated at least 720 hours of ESST may receive payment through a payroll check for their ESST hours in excess of 720 hours at fifty-percent (50%) their current rate of pay.

ARTICLE 20: PAID TIME OFF (PART-TIME EMPLOYEES)

- 20.1 Purpose: Paid Time Off (PTO) replaces individual ESST and vacation leave plans and combines them into a single benefit program. PTO does not replace City observed holidays or any other paid leave established and required by state or federal law.
- 20.2 Eligibility: Part-time employees who are regularly scheduled to work 20 hours or more per week are eligible for paid time off (PTO).
- 20.3 Accrual: Paid Time Off benefits shall accrue per pay period based upon hours worked at the rate of 104 hours per year based upon a 40-hour work week.
- 20.4 Use. PTO can be used for any reason subject to existing request and approval procedures for leave time. Use of PTO will be consistent with the administration of paid ESST and vacation time as set forth in state statute and the City's Personnel Policy
- 20.5 Accumulating PTO Time. Regular part-time employees may carry over accrued PTO leave balances equal to two times (2x) their annual accrual. Accruals exceeding the maximum balance shall be considered lost on December 31st of each year.
- 20.6 Floating Holiday. Beginning January 1, 2021, part-time employees employed with the city five years or more are eligible to receive one floating holiday equivalent to the number of hours in the Employee's regular shift.

- 20.7 Severance Pay. Regular part-time employees with five (5) or more years of service and who terminate employment in good standing as defined in Section 65 of the Personnel Policy, shall receive severance pay at the rate of 75% of their accrued PTO as compensation (applicable taxes will be withheld). Any deferred ESST balance, as defined above, shall be paid in accordance with Section 25.1.

ARTICLE 21: EMERGENCY LEAVE & FUNERAL LEAVE

- 21.1 An Employee may be granted emergency leave by the EMPLOYER if a critical situation such as a serious illness or a death has occurred in the immediate family. Such leave may be taken from ESST, floating holiday, vacation leave, or without pay, in that order.
- 21.2 The EMPLOYER authorizes each Employee funeral leave of three (3) days, should any member of their immediate family pass away, and an additional two (2) days if the family member is the Employee's spouse, child (including stepchild), or parent (including stepparent). Such funeral leave shall not be deducted from accumulated sick leave. For the purpose of this Article immediate family shall mean the Employee's spouse, parents (including stepparents), parents of spouse, children (including stepchildren), brothers, sisters, grandparents, grandchildren, aunts, uncles, nieces, nephews, and grandchildren of the Employee or of the Employee's spouse. The EMPLOYER may grant additional time off if the City Manager deems it necessary.
- 21.3 The EMPLOYER shall provide unpaid leaves of absence, in addition to any other leave authorized by this AGREEMENT, in conformance with state or federal law.

ARTICLE 22: MILITARY LEAVE

- 22.1 In accordance with State and Federal laws, any employee required by official military orders or related authority to attend Military Reserve training shall receive full wages at their current base pay rate for the period of the active duty required for such training, not to exceed fifteen (15) calendar days per calendar year. The employee shall present the EMPLOYER with copies of the official orders received as soon as practical after the necessity for the leave is known.

ARTICLE 23: LEAVES OF ABSENCE

- 23.1 Employees shall be eligible for leaves of absence after one year's service with the EMPLOYER.
- 23.2 Application for leave shall be submitted in writing by the employee to the EMPLOYER. The request shall state the reason the leave of absence is being requested and the length of time off the Employee desires. Authorization for a leave of absence shall be furnished to employee by the EMPLOYER in writing.
- 23.3 A request for a leave shall be answered within ten (10) workdays.
- 23.4 Employees will be granted a paid leave of absence to undergo a medical procedure to donate bone marrow in accordance with applicable state law.

- 23.5 Neither benefits nor salary increases will be earned by employees while on a leave of absence without pay. Employees returning to work after leave without pay will be paid at the same rate of pay received before the leave began.
- 23.6 Health, dental and life insurance, if it is kept in force, must be paid in full by the employee during an authorized leave of absence.
- 23.7 Failure on the part of the employee to request an extension prior to expiration of a leave of absence without compensation, or to notify the EMPLOYER within three (3) calendar days after the expiration of such granted leave, shall be considered a resignation from City service.

ARTICLE 24: ABSENCE WITHOUT LEAVE

- 24.1 Any absence of an employee from scheduled duty that is not promptly reported to and authorized by the EMPLOYER shall be deemed an absence without leave. Any employee absent without leave shall be subject to disciplinary action and any employee absent without leave for three (3) consecutive days shall be deemed to have resigned their employment, provided that the EMPLOYER may grant approval for leave subsequent to the unauthorized absence if the EMPLOYER determines the circumstances surrounding the absence warrant such action.

ARTICLE 25: SEVERANCE PAY

- 25.1 An Employee who has worked for the City for at least five years and who retires or otherwise terminates employment for reasons other than discharge shall receive fifty percent (50%) of the accrued but unused ESST. Payment shall be made into the Employee's Retirement Health Savings (RHS) plan at the Employee's base rate of pay.
- 25.2 An Employee who retires or otherwise terminates employment will receive one hundred percent (100%) of the Employee's accrued but unused vacation leave. The EMPLOYER agrees to pay upon separation one hundred percent (100%) of all accrued but unused vacation hours into the Employee's Retirement Health Savings (RHS) plan at the Employee's current salary.
- 25.3 In the event of the death of an active employee, the estate of said employee shall be paid one hundred percent (100%) of the employee's accrued but unused ESST and vacation leave.

ARTICLE 26: UNIFORM ALLOWANCE

- 26.1 The EMPLOYER agrees to provide a uniform to those employees who are required by the EMPLOYER to wear a uniform.
- 26.2 Employees required by the EMPLOYER to wear safety-toe boots shall be eligible for a reimbursement from the EMPLOYER up to \$275.00/year. The safety-toe boots must be of a quality acceptable to the City. The Employee must provide receipt(s) for the expenditure(s) to receive reimbursement.

ARTICLE 27: AUTOMOBILE ALLOWANCE

27.1 Employees required by the City to use their personal cars while engaged in City work shall be reimbursed by the City for the number of miles they travel at the rate established by the IRS.

ARTICLE 28: LICENSE REQUIREMENTS

28.1 The City agrees to reimburse employees for the following required Licenses and renewal of same:

Water Operators License	Sewage Treatment System Certificate	Sewer Operations License
Building Inspectors License, Class I, II	Master's Plumbers License	Journeyman Plumber's License
Professional Engineers Registration	Limited Accessibility Specialist	I.C.B.O. Building Inspector
International Code Council Zoning and Property Maintenance Certification	University of MN Erosion and Storm Water Management Certification	MN Dept. of Transportation Technical Certification

28.2 Employees shall not use licenses paid by the EMPLOYER for personal or private employment or gain.

ARTICLE 29: SERVICE TRAINING

29.1 The EMPLOYER agrees to pay the costs of tuition and program materials for any workshops, conferences or other training sessions which the City requires an employee to attend.

ARTICLE 30: TUITION REIMBURSEMENT

30.1 Full-time Employees who have completed their probationary period who wish to pursue higher education in a job-related field may be eligible, at the sole discretion of the City Manager, to receive fifty percent (50%) reimbursement for tuition and books when the course is completed. To receive reimbursement, the following must occur:

- Proof must be provided of the job-related nature of the education course.
- Courses must be approved and budgeted for in advance by the Employee's supervisor and the City Manager.
- A grade of "C" or better must be attained (a copy of the transcript must be provided).
- A reimbursement form must be completed and submitted to the supervisor upon completion of the course.

This provision shall not apply to coursework higher than a master’s degree. Professional or technical certifications or re-certifications that are required by the City as a condition of employment shall be at the City’s sole expense.

- 30.2 If an Employee voluntarily resigns their position within one year after the completion of said course(s), they shall reimburse the EMPLOYER for all costs paid under the terms of this Article.
- 30.3 It is agreed and understood that any Employee who is authorized to receive Veteran’s benefits for such schooling will exhaust such Veteran’s benefits prior to applying to the EMPLOYER for the payment of such tuition and books.

ARTICLE 31: INSURANCE

- 31.1 The EMPLOYER will provide group health insurance for the duration of this AGREEMENT. The EMPLOYER will pay a sum not to exceed the following amounts per month for single and dependent coverage in 2026:

Option One: Passport 3300

Plan Option One	City Contribution	Employee Monthly Cost
Individual (\$875.80)	\$865.80	\$10.00
Single +1 (\$1,731.77)	\$1,304.40	\$427.37
Family (\$2,404.82)	\$1,583.00	\$821.82

OR

Option Two: Park Nicollet/HealthPartners or M Health Fairview/North Memorial

Plan Option Two	City Contribution	Employee Monthly Cost
Individual (\$744.43)	\$734.43	\$10.00
Single +1 (\$1,472.01)	\$1,164.22	\$307.80
Family (\$2,044.10)	\$1,434.00	\$610.10

The EMPLOYER and Employee shall equally divide any premium increase for family and single +1 coverage in 2027. Employees electing individual coverage shall pay \$10.00/month toward the premium in 2027.

Health Care Savings Account (HSA). The City contribution for individual healthcare coverage shall include a payment of \$160.00 per month to the Employee. The City contribution for single +1 and family healthcare coverage shall include a payment of \$100.00 per month to the Employee.

Should the City transition to a self-funded insurance pool during the term of this agreement, the Employer and the Union shall have discretion to reopen this section 31.1 of the Agreement to bargain over the effect of this transition.

- 31.2 The EMPLOYER will provide group dental insurance with benefits substantially the same as presently exist for the duration of this Agreement. The EMPLOYER will pay a sum not to exceed the least costly monthly premium for coverage of the employee and a sum not to exceed forty-five \$45.00 dollars per month for single and dependent coverage.
- 31.3 Retirement Health Savings Plan: Retirement Health Savings Plan is a health benefit savings vehicle that allows employees to accumulate assets to pay for medical expenses (e.g. health insurance, co-pays, prescription expenses, etc.) on a tax-free basis. The terms of the plan are governed by the Internal Revenue Code. To be eligible to participate in the plan, union members must (1) complete 12 months of full-time service to the City, and (2) make mandatory employee contributions in the amount of \$25.00 per pay period. The employer will contribute \$15.00 per pay period per participating Employee. Once an employee elects to participate in Retirement Health Savings, they will not be able to discontinue participation.
- 31.4 The Employer will provide and pay for a life insurance policy in the amount of \$50,000 for all Employees in the bargaining unit.

ARTICLE 32: MINNESOTA PAID LEAVE (MPL)

- 32.1 Whenever applicable absences under the Agreement, which also qualify for time off under the Minnesota Paid Leave Act (MPL), will run concurrently with the MPL. The Employer will comply with all provisions of the MPL as amended. Employees eligible for leave under the MPL shall be required to follow the Employer's policies and procedures in applying for and taking leave under the MPL.
- 32.2 Effective January 1, 2026, the Employer will pay at least fifty percent (50%) of the premiums required by Minnesota Statute § 268B.14, subd. 3 and employees will pay fifty percent (50%) of the premiums required by Minnesota Statute § 268B.14 through payroll deduction from their wages.
- 32.3 In the event the MPL does not go into effect or is otherwise repealed at any time, this Section shall be null and void.
- 32.4 Any leave taken under the MPL program will run concurrently with all leave and wage replacement benefits available under other such laws or policies, including but not limited to the Family and Medical Leave Act (FMLA), Minnesota Pregnancy and Parental Leave, and protections offered under the Women's Economic Security Act (WESA), where applicable. Employees must use paid time off benefits permitted under this Agreement or any Employer policy to receive full income replacement during any MPL leave. Employees must use leave in the following order: first, compensatory leave until exhausted; second,

floating holiday/personal days until exhausted; and third, employee's choice of ESST, vacation or a combination of both; subject, however, to the limitation that an employee may not in any circumstance receive more than 100% of their normal compensation, taking into account both MPL and other paid leave benefit received. If a source of paid time off is available, an employee must use it until it is exhausted.

ARTICLE 33: RIGHT OF SUBCONTRACT

33.1 Nothing in this Agreement shall prohibit or restrict the right of the EMPLOYER to subcontract work performed by the employees covered by this AGREEMENT. In the event EMPLOYER determines to contract out or subcontract any work performed by employees covered by this Agreement the EMPLOYER shall notify the Union when such determination is made, but in no case less than thirty (30) calendar days in advance of the implementation of such determination. During said period the EMPLOYER shall meet and confer with the Union to discuss possible ways to minimize adverse impact on the unit.

ARTICLE 34: SAVINGS CLAUSE

34.1 This Agreement is subject to the law of the United States, the State of Minnesota and the City of Prior Lake. In the event any provisions of the agreement shall be held to be contrary to law by a court of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided, such provisions shall be voided. All other provisions of this Agreement shall continue in full force and effect. The voided provision may be re-negotiated at the written request of either party.

ARTICLE 35: RATE OF PAY

35.1 Rates of Pay shall be established according to the ranges set forth in Appendix A.

35.2 Rates of Pay shall increase annually at the following rates:

2026 – 3.5% (effective January 1, 2026)
2027 – 3.5%

35.3 For employees hired on or after January 1, 2021, Employer may, in its sole discretion and consistent with the Rates of Pay in Appendix A, provide a rate of pay to new hires commensurate with the new hire's years of experience in a directly equivalent position, not to exceed Step 4 upon hire. In this Article, "directly equivalent position" shall mean a position with the same or virtually the same duties and responsibilities, as determined by Employer.

ARTICLE 36: PUBLIC WORKS INCENTIVE

36.1 Employees in the Public Works Department who receive their APWA Public Works Certification on or after January 1, 2021 shall receive a one-time payment of \$500.00. Proof of certification required before payment.

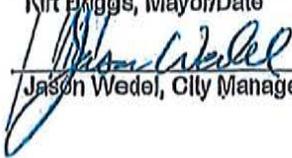
ARTICLE 37: DURATION

- 37.1 Effect of Agreement: Any and all prior agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment, to the extent inconsistent with the provisions of this Agreement, are hereby superseded.
- 37.2 Termination or modification: Either party desiring to terminate or modify this contract must notify the other party in writing at least thirty (30) but no more than sixty (60) days prior to December 1, 2027, and shall be automatically renewed from year to year unless either party notifies the other party in writing that it desires to modify or terminate this Agreement no more than sixty (60) days prior to but no less than thirty days prior to the expiration date.
- 37.3 Negotiations during term: The parties mutually acknowledge that during the negotiations which resulted in this Agreement, each had the opportunity to make demands and proposals regarding terms and conditions of employment. All understandings and agreements arrived at by the parties are set forth in this contract.
- 37.4 Full agreement: The EMPLOYER and the Union agree that this Agreement contains all of the terms and conditions of employment which have been arrived at and that the EMPLOYER shall not be obligated to provide or maintain any terms or conditions of employment not provided herein.
- 37.5 Effective dates/opening: This Agreement shall be effective from January 1, 2026 through December 31, 2027 and shall continue until such time as a new contract between the parties is executed.

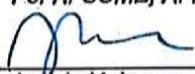
SIGNATURES:

For the City of Prior Lake:

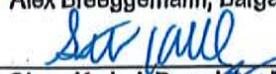

Kirt Briggs, Mayor/Date

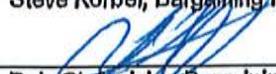

Jason Wedel, City Manager/Date

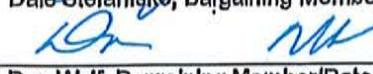
For AFSCME, AFL-CIO Council 5, Local 3884:

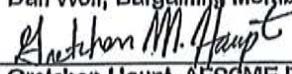
 02/12/2026
Jacinta Heinzmann, Bargaining Member/Date

 2/20/2026
Alex Breeggemann, Bargaining Member/Date

 2/20/2026
Steve Korbel, Bargaining Member/Date

 2/23/2026
Dale Stefanisko, Bargaining Member/Date

 2-20-2026
Dan Wolf, Bargaining Member/Date

 02-11-2026
Gretchen Haupt, AFSCME Representative/Date

APPENDIX A

2026-2027 AFSCME Pay Ranges

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
180	<i>Planner</i>							
2026	\$43.79	\$45.21	\$46.67	\$48.18	\$49.73	\$51.35	\$53.02	\$54.74
2027	\$45.32	\$46.79	\$48.30	\$49.87	\$51.47	\$53.14	\$54.88	\$56.66
170	<i>Building Inspector, Code Enforcement Officer, Engineering Tech 4, GIS Coordinator, Senior PW Operator - Water/Utilities</i>							
2026	\$40.30	\$41.61	\$42.96	\$44.34	\$45.79	\$47.27	\$48.81	\$50.37
2027	\$41.71	\$43.06	\$44.47	\$45.89	\$47.39	\$48.92	\$50.52	\$52.14
160	<i>Mechanic II, PW Operator</i>							
2026	\$36.71	\$37.90	\$39.13	\$40.40	\$41.71	\$43.07	\$44.46	\$45.89
2027	\$38.00	\$39.23	\$40.50	\$41.81	\$43.17	\$44.57	\$46.02	\$47.50
150	<i>Investigative Aide/Evidence Tech, Maintenance Worker, Mechanic I</i>							
2026	\$32.99	\$34.06	\$35.16	\$36.30	\$37.47	\$38.69	\$39.94	\$41.23
2027	\$34.14	\$35.25	\$36.39	\$37.57	\$38.78	\$40.04	\$41.34	\$42.68
140	<i>Public Works Specialist, Records Specialist II, Recreation Programmer, Utility Billing Clerk</i>							
2026	\$30.28	\$31.27	\$32.27	\$33.33	\$34.41	\$35.51	\$36.66	\$38.36
2027	\$31.34	\$32.36	\$33.40	\$34.49	\$35.62	\$36.75	\$37.94	\$39.70
130	<i>Deputy City Clerk, Development Services Assistant, Records Specialist</i>							
2026	\$28.38	\$28.87	\$29.81	\$30.77	\$31.77	\$32.80	\$33.85	\$35.47
2027	\$29.37	\$29.88	\$30.85	\$31.85	\$32.89	\$33.95	\$35.04	\$36.71
120	<i>Administrative Assistant, Community Service Officer</i>							
2026	\$25.96	\$26.71	\$27.49	\$28.29	\$29.10	\$29.94	\$30.81	\$31.73
2027	\$26.87	\$27.65	\$28.45	\$29.28	\$30.12	\$30.99	\$31.89	\$32.84