

LABOR AGREEMENT
CITY OF APPLE VALLEY
AND
AFSCME COUNCIL 5, LOCAL NO. 479

2026-2027

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**LABOR AGREEMENT
BETWEEN
THE CITY OF APPLE VALLEY
AND
AMERICAN FEDERATION OF STATE, COUNTY AND
MUNICIPAL EMPLOYEES, COUNCIL NO. 5, LOCAL 479**

**ARTICLE 1
PURPOSE OF AGREEMENT**

- 1.1 This Agreement is entered into between the City of Apple Valley, hereinafter called the Employer, and Council No. 5, Local 479, of the American Federation of State, County and Municipal Employees, hereinafter called the Union.
- 1.2 The intent and purpose of this Agreement is to:
- A. Establish certain hours, wages and other conditions of employment;
 - B. Establish procedures for the resolution of disputes concerning this Agreement's interpretation and/or application;
 - C. Specify the full and complete understanding of the parties; and
 - D. Place in written form the parties' agreement upon terms and conditions of employment for the duration of this Agreement.

**ARTICLE 2
RECOGNITION**

- 2.1 The employer recognizes the union as the exclusive representative, for: "All maintenance employees of the City of Apple Valley, Minnesota, who are public employees within the meaning of Minn. Stat. 179A.03, subd. 14, excluding supervisory, confidential, and all other employees."

**ARTICLE 3
EMPLOYER AUTHORITY**

- 3.1 The employer retains the full and unrestricted right to operate and manage all manpower, facilities, and equipment; to establish functions and programs; to set and amend budgets; 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.
- 3.2 Any term and condition of employment not specifically established or modified by this Agreement shall remain solely within the discretion of the employer to modify, establish, or eliminate.

**ARTICLE 4
UNION SECURITY**

- 4.1 In recognition of the union as the exclusive representative, the employer shall:
- A. Deduct the first two payroll periods each month an amount sufficient to provide the payment of dues established by the union from the wages of all employees authorizing in writing such deduction.
 - B. Remit such deduction to the appropriate designated officer of the union within thirty (30) days following the deduction.
- 4.2 The union may designate certain employees from the bargaining unit to act as stewards and shall inform the employer in writing of such choice.
- 4.3 The union agrees to indemnify and hold the employer harmless against any and all claims, suits, orders, or judgments brought against the City as a result of any action taken or not taken by the City under the provisions of this Article.
- 4.4 The employer shall furnish space on and maintain bulletin boards which may be used by the union for the posting of official notices and bulletins.

**ARTICLE 5
DEFINITIONS**

- 5.1 **Union:** Local 479, Council 5, American Federation of State, County, and Municipal Employees.
- 5.2 **Employer:** The City of Apple Valley, Minnesota.
- 5.3 **Union Member:** A member of Local 479, Council 5, American Federation of State, County, and Municipal Employees.
- 5.4 **Employee:** A member of the exclusively recognized bargaining unit.
- 5.5 **Base Pay Rate:** The employee's hourly pay rate exclusive of longevity or any other special allowance.
- 5.6 **Seniority:** Length of continuous service in a position covered by Article II - Recognition and as defined in accordance with 5.10 and 5.11, excluding those positions defined by 5.12 and 5.13. Employees who are promoted from a position covered by this Agreement and return to a position covered by this Agreement shall have their seniority calculated based on total length of service in a position represented by this bargaining unit for purposes of promotion, transfer, and layoff. Total length of service with the City shall be relevant only for annual leave benefit calculations.
- 5.7 **Overtime:** Work performed at the express authorization of the employer in excess of the employee's scheduled shift within a 24 hour period (except for shift changes) or more than 40 hours within a 7 day period (except for shift changes).
- 5.8 **Call Back:** Return of an employee to a specified work site to perform assigned duties at the express authorization of the employer at a time other than a scheduled shift. An extension of or early report to a scheduled shift is not a call back.
- 5.9 **Immediate Family:** Shall mean the following kin of the employee: spouse, parent (including stepparent or legal guardian), child (including stepchild/foster child), sibling (including stepsibling), grandparent, grandchild, aunt/uncle, parent-in-law, grandparent-in-law, aunt/uncle-in-law, brother/sister-in-law, and son/daughter-in-law.
- 5.10 **Full-Time Employee:** An employee whose hours in a calendar year meet the hour requirements of Article 22.5 of this Agreement. Full-time employees shall earn benefits at the rates specified in Articles 14.1, 16.1, 17.1, and 19.1 of this Agreement. Deductions shall occur related to any unpaid leaves of absence.
- 5.11 **Part-Time Employee:** An employee who works in a position having a normal work week of at least 14 but less than 40 hours.
- 5.12 **Seasonal Employee:** An employee who works in a position that is reasonably expected to be of a duration of more than 67 working days (100 working days for students), but for a total duration of 7 months or less.
- 5.13 **Temporary Employee:** Any employee not included within the definitions of Articles 5.10, 5.11 and 5.12.
- 5.14 **Prorata Benefits:** Part-time employees shall earn benefits that are pro rata of the amounts earned by full-time employees. For administration purposes, 50% of the benefits shall be earned during the year with the difference (plus or minus) to be adjusted at the end of the year or if termination occurs. Seasonal and temporary employees shall not earn benefits.
- 5.15 **Regular Shift:** A regularly scheduled recurring daily period of work with a fixed starting and ending time, exclusive of overtime work.

**ARTICLE 6
RIGHT OF SUBCONTRACTING**

- 6.1 Nothing in this Agreement shall prohibit or restrict the right of the employer from subcontracting work performed by employees covered by this Agreement.

**ARTICLE 7
LEGAL DEFENSE**

- 7.1 Employees involved in litigation because of negligence, ignorance of laws, non-observance of laws, or as a result of employee judgmental decision may not receive legal defense by the municipality.
- 7.2 Any employee who is charged with a traffic violation, ordinance violation or criminal offense arising from acts performed within the scope of the employee's employment, when such act is performed in good faith and under direct order of the employee's supervisor, shall be reimbursed for reasonable attorney's fees and court costs actually incurred by such employee in defending against such charge.

**ARTICLE 8
SAFETY**

- 8.1 The employer and the union agree to jointly promote safe and healthful working conditions, to cooperate in safety matters and to encourage employees to work in a safe manner.

**ARTICLE 9
PROBATIONARY PERIODS**

- 9.1 All newly hired or rehired employees will serve a 12 month probationary period.
- 9.2 All employees will serve a 6 month probationary period in any job classification in which the employee has not served a probationary period.
- 9.3 At any time during the probationary period a newly hired or rehired employee may be terminated at the sole discretion of the employer.
- 9.4 At any time during the probationary period a promoted employee may be demoted to the employee's previous position at the sole discretion of the employer.

**ARTICLE 10
DISCIPLINE**

- 10.1 The employer will discipline employees for just cause only. Suspensions and discharges will be in written form.
- 10.2 Upon an employee's request, an employee may have union representation at a meeting in which an employee is formally questioned during an investigation into conduct which may lead to disciplinary action. Union representatives will be whoever is most readily available from among those designated by the Union as union stewards, a local union officer, or the business representative.

**ARTICLE 11
JOB POSTING**

- 11.1 The employer and the union agree that permanent job vacancies within the designated bargaining unit shall be filled based on the concept of promotion from within provided that applicants:
- A. have the necessary qualifications to meet the standards of the job vacancy; and
 - B. have the ability to perform the duties and responsibilities of the job vacancy.
- 11.2 Employees filling a higher job class based on the provisions of this Article shall be subject to the conditions of Article IX (Probationary Period).
- 11.3 The employer has the right of final decision in the selection of employees to fill posted jobs based on qualifications, abilities and experience.
- 11.4 Job vacancies within the designated bargaining unit will be posted open only to current full-time bargaining unit members for a minimum of five (5) working days so that members of the bargaining unit can be considered for such vacancies, including seasonals. Job vacancies may be posted and advertised externally if an internal candidate is not selected. If the job has been posted in the previous six (6) months, the employer will post for external and internal applicants immediately.

**ARTICLE 12
EMPLOYEE RIGHTS-GRIEVANCE PROCEDURE**

- 12.1 **Definition of a Grievance:** A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this Agreement.
- 12.2 **Union Representatives:** The employer will recognize representatives designated by the union as the grievance representatives of the bargaining unit having the duties and responsibilities established by this Article. The union shall notify the employer in writing of the names of such union representatives and of their successors when so designated.
- 12.3 **Processing of A Grievance:** It is recognized and accepted by the union and the employer 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 in 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 designated supervisor who has determined that such absence is reasonable and would not be detrimental to the work programs of the employer.
- 12.4 **Procedure:** Grievances, as defined by Section 12.1 shall be resolved in conformance with the following procedure:
- Step 1:** An employee claiming a violation concerning the interpretation or application of this Agreement shall, within 15 calendar days after the alleged violation has occurred or the employee knew or should have known the alleged violation has occurred, present such grievance to the employee's supervisor as designated by the employer. The employer-designated representative will discuss and give an answer to such Step 1 grievance within 10 calendar days after receipt. Any grievance not appealed in writing to Step 2 by the union within 10 calendar days shall be considered waived.
- Step 2:** A grievance not resolved in Step 1 and appealed to Step 2 shall be placed in writing setting forth the nature of the grievance, the facts on which it is based, the provision or provisions of the Agreement allegedly violated, and the remedy requested and shall be appealed to Step 2 within 10 calendar days after the employer-designated representative's final answer in Step 1. If appealed, the written grievance shall be presented by the union and discussed with the employer-designated Step 2 representative. The employer-designated representative shall give the union the employer's Step 2 answer in writing within 10 calendar days after receipt of such Step 2 grievance. Any grievance not appealed in writing to Step 3 by the union within 10 calendar days shall be considered waived.
- Step 3:** A grievance not resolved in Step 2 may be appealed to Step 3 within 10 calendar days following the employer designated representative's final Step 2 answer. If appealed, the written grievance shall be presented by the union and discussed with the employer designated Step 3 representative. The employer designated representative shall give the union the employer's answer in writing within 10 calendar days after receipt of such Step 3 grievance. Any grievance not appealed in writing to Step 4 by the union within 10 calendar days shall be considered waived.
- Step 4:** A grievance not resolved in Step 3 may be appealed to Step 4 within 10 calendar days following the employer designated representative's final answer in Step 3. A grievance unresolved in Step 3 and appealed to Step 4 shall be submitted to arbitration subject to the current provisions of the Public Employment Labor Relations Act. The selection of one neutral arbitrator shall be made from a list of 5 arbitrators provided by the Bureau of Mediation Services (BMS). The union and employer shall each strike 2 arbitrators from the list submitted by BMS.
- 12.5 **Arbitrator's Authority:**
- A.** The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the terms and conditions of this Agreement. 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.

B. 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 within 30 days following the close of the hearing or the submission of briefs by the parties, whichever be the 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.

C. The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the employer and the union provided that each party shall be responsible for compensating its own 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 the proceedings, the cost shall be shared equally.

12.6 **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 in each step may be extended by mutual agreement of the employer and the union.

12.7 **Choice of Remedy:** If, as a result of the employer response in Step 3, 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 of Article XII or a procedure such as: Civil Service, Veteran's Preference, or Fair Employment. If appealed to any procedure other than Step 4 of Article XII, the grievance is not subject to the arbitration procedure as provided in Step 4 of Article XII. The aggrieved employee shall indicate in writing which procedure is to be utilized, Step 4 of Article XII or another appeal procedure, and shall sign a statement to the effect that the choice of any other hearing precludes the aggrieved employee from making a subsequent appeal through Step 4 of Article XII.

Except that with respect to statutes under the jurisdiction of the United States Equal Employment Opportunity Commission, an employee pursuing a statutory remedy is not precluded from also pursuing an appeal under this grievance procedure. If Equal Employment Opportunity Commission v. Board of Governors is overruled, this paragraph will be null and void and shall be deleted.

ARTICLE 13 SENIORITY

- 13.1 Seniority will be the determining criterion for transfers and promotions only when all job-relevant qualification factors are equal.
- 13.2 In the event of a layoff, the least senior employee in the category in which the discontinuance of position occurs shall be laid off first. For purposes of layoff the following categories shall be utilized: working foreman; technical specialist/fleet mechanic; licensed utility worker; and general maintenance. If the discontinuance of a position in the category of working foreman, technical specialist/fleet mechanic, or licensed utility worker results in the layoff of an employee with more seniority than the least senior employee in the general maintenance category, that employee may bump the least senior general maintenance worker. The City reserves the right to reassign any employee to fill the position vacated by the layoff, as long as such reassignment does not result in a loss of pay or benefits.
- 13.3 Seniority will be the determining criterion for recall only when all job-relevant qualification factors are equal. Recall rights under this provision will continue for 12 months after layoff. Recalled employees shall have 10 working days after notification of recall by certified mail at the employee's last known address to report to work or forfeit all recall rights.

**ARTICLE 14
INSURANCE**

- 14.1 The employer will contribute up to a maximum of \$980 per month toward employer-sponsored health, dental, and life insurance in 2026 for an employee enrolled in the copay health plan option.

The Employer will contribute up to a maximum of \$1,844 per month per Employee in 2026 toward the cost of Employer selected group health, life, and dental insurance for full-time Employees enrolled in an Employer-sponsored High Deductible Health Plan with Employee + spouse or employee + children coverage, plus an additional \$80 per month to the enrolled employee's HRA or HSA account.

The Employer will contribute up to a maximum of \$2,063 per month per Employee in 2026 toward the cost of Employer selected group health, life, and dental insurance for full-time Employees enrolled in an Employer-sponsored High Deductible Health Plan with Family coverage, plus an additional \$80 per month to the enrolled employee's HRA or HSA account.

For 2027, this section shall be subject to a contract re-opener.

- 14.2 Any costs beyond the amounts payable by the employer in Article 14.1 and 14.3 shall be paid by the employee via payroll deduction except as provided elsewhere in this agreement. Dependent and part-time employee insurance coverage and their availability shall be subject to the terms of the employer's group policy or policies.
- 14.3 An employee who selects single health plan coverage shall receive a payment based on the difference between the employer's maximum contribution for insurance and the cost of the employee's insurance program as described below. The payment shall be made as taxable income unless directed elsewhere as according to law.
- a. If the monthly difference is less than \$30.00, there shall be no payment.
 - b. If the monthly difference is between \$30.00 and \$59.99, the payment shall be \$30.00 per month.
 - c. If the monthly difference is \$60.00 or more, the payment shall be \$60.00 per month.
- 14.4 If the City offers a long-term disability plan paid for by the City, employees shall, subject to applicable provisions of the IRS Code, pay the tax on the premium for the long-term disability plan.
- 14.5 The Employer will contribute 50% of the Minnesota Paid Leave tax and the Employee will contribute 50%.

**ARTICLE 15
INJURY ON DUTY**

- 15.1 An employee, who is, in the ordinary course of employment, while acting in a reasonable and prudent manner and in compliance with established rules and procedures of the employer, injured during the performance of the employee's duties and thereby unable to work, shall be paid the difference between the employee's regular pay and the Workers' Compensation insurance payments for a period not to exceed 720 scheduled working hours per injury, not charged to the employee's leave or other accumulated paid benefits, after a 24 scheduled working hour initial waiting period per injury. The 24 hour scheduled working hour waiting period shall be charged to the employee's leave account less Workers' Compensation insurance payments, if any, for said 24 scheduled working hour period. Any injury that does not result in compensation under the Workers' Compensation law shall not be compensable under this Article.

**ARTICLE 16
HOLIDAYS**

- 16.1 Full-time employees shall receive the following paid holidays: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Memorial Day, Juneteenth, Independence Day, Labor Day, Veterans' Day, Thanksgiving, Day after Thanksgiving, Christmas Day, Christmas Floater (December 23 if December 25 is a Saturday or Sunday, December 24 if December 25 is a Tuesday, Wednesday or Friday, or December 26 if December 25 is a Monday or Thursday).

- 16.2 Whenever any of the above holidays fall on a Sunday, the following day shall be designated as the holiday.
- 16.3 Whenever any of the above holidays fall on a Saturday, the preceding day shall be designated as the holiday.
- 16.4 Any shift which commences on a holiday, for purposes of this clause, shall be considered as having entirely occurred on the holiday. All scheduled hours worked on holidays shall be compensated as overtime.
- 16.5 Full-time employees shall receive one paid Personal Floating Holiday per calendar year in the amount of 8 hours. The Personal Floating Holiday shall be used in an increment of 8 hours. Any Personal Floating Holiday not used during the calendar year shall be forfeited.

**ARTICLE 17
ANNUAL LEAVE**

- 17.1 All bargaining unit employees are eligible to accrue annual leave.
- 17.2 Eligible employees shall earn annual leave in accordance with the following schedule. An employee's initial date of employment shall be used to determine the appropriate hours of annual leave to be accrued.

(1)	0-5 years	=	5.54 hours per 2 weeks of work (18 days annually)
(2)	6-10 years	=	7.08 hours per 2 weeks of work (23 days annually)
(3)	11-15 years	=	8.61 hours per 2 weeks of work (28 days annually)
(4)	16-20 years	=	9.23 hours per 2 weeks of work (30 days annually)
(5)	20+ years	=	10.15 hours per 2 weeks of work (33 days annually)
- 17.3 Annual leave shall be taken either as planned leave which will be scheduled in advance; or, unplanned leave which will require notification to the City within a timely manner of the employee's scheduled work day.
- 17.4 The City will place into effect a short term disability insurance policy to be effective following 21 calendar days of continuous absence due to illness or injury. An employee shall be eligible to collect the short term disability benefit until the employee becomes eligible for long term disability or 6 months following the date of the qualifying injury or illness, whichever occurs first. The City may request, at any time, that an employee provide a medical doctor's statement including verification of illness and/or ability to return to work.
- 17.5 An employee shall be eligible to continue to receive the City's insurance contribution, in accordance with Article 14, toward the purchase of group insurance during the period of time the employee is receiving short term disability insurance benefits, not to exceed six (6) months from the qualifying date of illness or injury.
- 17.6 The City will, upon request, pay the employer contribution amount due to PERA for an employee's purchase of service credit and salary from an authorized short term disability leave of absence if all of the following conditions are met:
 - 1) The request is received by the City no later than 120 days after the end of the employee's authorized short term disability leave of absence; and
 - 2) The employee has returned to full, unrestricted duty actively working a regular full-time schedule with the City; and
 - 3) The employee provides the City with evidence of payment of the Employee contribution amount due to PERA.
- 17.7 Annual leave shall not be earned by an employee for any period during which the employee is not being paid. An employee shall not be eligible to be compensated for annual leave, or earn additional annual leave during the time an employee is receiving disability insurance payments.
- 17.8 Annual leave may not accrue in excess of 800 hours. Any hours in excess of 800 shall be forfeited.

- 17.9 Planned annual leave may be denied or approval withdrawn when the granting of such planned annual leave would result in insufficient personnel to carry out necessary functions as deemed appropriate by the City.
- 17.10 If use of unplanned leave suggests abuse, the City shall notify the employee of this concern. If such abuse continues the City may deny future unplanned leave requests. The City may request, at any time, that an employee provide a medical doctor's statement including verification of illness and/or ability to return to work.
- 17.11 An employee who has an accrued, unused annual leave balance of 160 or more hours may make an irrevocable election annually by December 31, to receive cash compensation in lieu of up to 16 hours of annual leave earned in the subsequent year.

Such election shall be made in writing in a format determined by the city and received in Human Resources by December 31.

Upon making such election, annual leave earned beginning the start of the first pay period in January of the subsequent year, up to the amount elected by the employee, shall not be credited to the employee's annual leave bank, but instead shall be paid to the employee at the employee's base pay rate on the earliest of:

- 1) When requested by the employee on one regular pay check in the calendar year subsequent to the employee's election, provided the elected number of hours have been earned; or
 - 2) The first pay check in December of the year subsequent to the employee's election; or
 - 3) Upon the employee's separation from employment.
- 17.12 An employee who leaves the employment of the City in good standing shall be compensated for all accrued and unused annual leave at the time of separation of employment.
 - 17.13 An employee shall not be permitted to waive annual leave for the purpose of receiving double pay.

**ARTICLE 18
UNPAID LEAVES OF ABSENCE**

- 18.1 Employees may request an unpaid leave of absence from the employer through their immediate supervisor. Such leaves may be granted at the sole discretion of the employer.

**ARTICLE 19
BEREAVEMENT LEAVE**

- 19.1 A full-time employee will be provided up to three (3) days of bereavement leave in the event of a death in the immediate family.

**ARTICLE 20
UNIFORMS**

- 20.1 The employer will provide to employees all employer required uniforms.

**ARTICLE 21
REST AND MEAL BREAKS**

- 21.1 An employee may take a 30 minute meal period, without pay, at a time which may be determined by the employer, during any scheduled shift of 8 hours or more. A scheduled shift of 8 hours includes 8 hours and 30 minutes of clock time. For work during non-scheduled time, an employee may take without pay, unless it would interfere with emergency type work, a 30 minute meal period after 5 consecutive hours of work.
- 21.2 An employee may take a 15 minute rest period, with pay, after having worked at least 2 hours, but not more than one rest period shall occur each 5 hours. The time and location of rest periods may be determined by the employer.

**ARTICLE 22
WORK SCHEDULES**

- 22.1 The sole authority in work schedules is the employer's. The normal work day for an employee shall be the employee's scheduled shift. The normal work week shall be 40 hours Monday through Friday.
- 22.2 Service to the public may require the establishment of regular shifts for some employees on a daily, weekly, seasonal, or annual basis other than their normal work day. The employer will give 7 days advance notice to the employees affected by the establishment of work days different from the employee's normal work day. The seven (7) days advance notice may be waived by mutual consent of the employee and the City.
- 22.3 In the event that work is required because of unusual circumstances such as, but not limited to, fire, flood, snow, sleet, pandemic outbreak or breakdown of municipal equipment or facilities, no advance notice need be given.
- 22.4 Service to the public may require the establishment of regular work weeks that schedule work on Saturdays and/or Sundays and/or holidays.
- 22.5 The number of hours in the normal calendar work year for a full-time employee shall be based on 2080 annual hours. Hours worked on scheduled shifts and hours of compensatory time used, annual leave, and holiday leave shall collectively comprise the work hours in a calendar year.

**ARTICLE 23
OVERTIME PAY**

- 23.1 Hours worked in excess of the employee's scheduled shift within a 24 hour period (except for shift changes) or more than 40 hours within a 7 day period will be compensated at 1½ times the employee's regular base pay rate. Any 7 day period commences on a Saturday.
- 23.2 An employee who is called back to work on any of the following holidays shall be eligible to receive double time pay for time worked on the actual holiday, not the date the City observes the holiday.

New Year's Day	Labor Day
Martin Luther King, Jr. Day	Veterans' Day
Presidents' Day	Thanksgiving
Memorial Day	Day after Thanksgiving
Juneteenth	Christmas Eve
Independence Day	Christmas Day
- 23.3 An employee who is called back to work on a Sunday, when that Sunday is not a part of the employee's regularly scheduled shift, shall be eligible to receive double time pay for time worked on Sunday. If an employee is regularly scheduled to work on a Sunday in accordance with Article 24, the employee shall not be eligible for double time pay. An employee who does not work a traditional Mon-Fri schedule shall also be eligible for double time pay if they work on their 7th day (i.e. employee works Wed-Sun their 7th day would be Tues.)
- 23.4 An employee may request compensatory time be placed in a leave bank in lieu of payment for earned overtime. Compensatory time shall be earned in accordance with the terms of this Article. The maximum time allowed to accumulate in an employee's compensatory leave bank shall not exceed 80 hours. An employee may only carry over 80 hours of compensatory time into the next year. Compensatory time off shall be scheduled with prior approval of the supervisor. An employee may opt to cash-out all, or a part of, the employee's compensatory time bank at the employee's current base pay rate by requesting the cash out at the end of any regular pay period.
- 23.5 Overtime will be distributed as equally as practicable.
- 23.6 Overtime refused by employees will, for record purposes under Article 23.5, be considered as unpaid overtime worked.
- 23.7 For the purpose of computing overtime compensation, overtime hours worked shall not be pyramided, compounded, or paid twice for the same hours worked.

- 23.8 Overtime will be calculated to the nearest 15 minutes.

**ARTICLE 24
CALL BACK**

- 24.1 An employee notified to report to work at a time other than the employee's regular scheduled shift will be compensated for a minimum of 3 hours pay at 1-1/2 times the employee's base pay rate. An extension or early report to a scheduled shift does not qualify the employee for the 3 hour minimum. When an employee has been notified prior to the end of the employee's regular shift that the employee is to report in early the following day, the employee shall not be considered to have been called back. If the employee does not receive notice of early report during the employee's regular shift on the day prior, the employee will be considered to have been called back and will be paid 3 hours at 1-1/2 times the employee's base pay rate.
- 24.2 If the employer notifies an employee after the employee's release from a regular or extension of shift to report for snowplowing operations the next morning, the employee shall be paid at 1½ times the employee's regular base pay rate beginning one hour prior to the scheduled report. The employee must report at the scheduled time. For example, if the scheduled report time is 3:00 a.m., the employee shall be paid beginning at 2:00 a.m. If the employer notifies an employee prior to the employee's release from a regular or extension of shift to report for snowplowing operations, the employee shall not be paid for time not actually worked prior to the scheduled report.
- 24.3 If the employer calls an employee at or about 2:00 a.m. to report for snowplowing as soon as possible, the employee shall be paid at 1½ times the employee's regular base pay rate from the beginning of calling.
- 24.4 When the employer has called an employee to report early for snowplowing, compensation at 1½ times the employee's regular base pay rate will continue until the start of the normally scheduled workday. Upon the start of the normally scheduled workday, the employee will receive their regular straight time pay rate for the duration of the scheduled shift.

**ARTICLE 25
WORKING OUT OF CLASSIFICATION**

- 25.1 Employees assigned by the employer to assume the full responsibilities and authority of a higher job classification shall receive the salary schedule of the higher classification for the duration of the assignment. Working out of Class may be enacted when someone is out more than two weeks. Pay may start on day one when the City sees as necessary.

**ARTICLE 26
WAGE SCHEDULE**

- 26.1 Employees shall be paid hourly salaries as listed in Appendix "A" of this Agreement.

**ARTICLE 27
SPECIALTY STIPEND**

- 27.1 An employee may be eligible for a stipend of \$0.37 per hour for attainment of a specialty license, certification, or comparable skill set following approval by the employer.
- 27.2 Payment under this article shall be limited to a maximum of two concurrent approved specialty stipends per eligible employee.
- 27.3 Payment under this article is subject to prior approval by the employer and evidence of attainment of the pre-approved specialty license, certification, or comparable skill set.
- 27.4 Payment for an approved specialty stipend will be made on a prospective basis only following: 1) approval by the employer, and 2) receipt of evidence of attainment of the pre-approved specialty license, certification, or comparable skill set. Payments shall not be retroactive to any date prior to approval of the stipend by the employer and receipt of evidence of attainment.

- 27.5 Payment will not be made for any period of time when the approved specialty license, certification, or comparable skill set is not maintained and in force. An employee receiving a specialty stipend shall notify the employer immediately upon any lapse, cancellation, or rescission of the approved specialty license, certification, or comparable skill set.
- 27.6 The employer may, in the case of a specialty license, certification, or comparable skill set which does not include an expiration date determined by the issuer, approve a specialty stipend for a period of up to three years from the date of approval.
- 27.7 The employer will, once annually, provide to the employee a list of the employee's currently approved specialty stipends and their expiration dates.
- 27.6 The employer shall have sole discretion to determine the type and number of specialty stipends approved within each division.

**ARTICLE 28
WELLNESS COMPENSATION**

- 28.1 On the first pay check in January, an employee shall receive four hours of pay at the employee's regular base pay rate for completing an annual dental examination and an annual physical examination including recommended preventive screenings before the prior December 1 each calendar year.
- 28.2 In order to be eligible for the compensation under this section, the employee shall provide to the employer certification that the employee has completed the applicable examinations within the previous 12 months. The certification shall be signed by a qualified healthcare provider appropriate to make such certification.
- 28.3 A newly eligible employee under this section shall provide certification to the employer within 90 days after eligibility. Compensation shall be effective no earlier than the first day of the pay period following the date certification is received by the employer. If certification is not provided to the employer within 90 days after eligibility, the employee shall not be eligible for compensation under this section until the next calendar year.

**ARTICLE 29
PUBLIC WORKS UTILITIES DIVISION ON-CALL DUTY**

- 29.1 The Public Works Superintendent shall on November 30th of each year determine the number of employees that meet the qualifications for assignment to on-call duty pursuant to Public Works Policy 2.05, Section D for the following calendar year.
- 29.2 Based on the number of employees determined eligible, a determination shall be made of the minimum number of weeks each employee shall be assigned to on-call duty. Adjustments may be made if qualified employees separate from employment with the City and/or new employees meet the qualifications in the Policy.
- 29.3 Beginning with the most senior employee, employees shall select the weeks during which they shall be assigned on-call duty, provided that:
 - a. No employee shall select consecutive weeks of on-call duty assignment
 - b. If employees are required to select four (4) or more weeks, at least one (1) week must be selected per quarter (January-March, April-June, July-September, October-December)
 - c. An employee may select more than the minimum number of weeks if they so desire with the consent of other employees wishing to minimize serving on-call assignments
 - d. Scheduled assignments shall be distributed among employees to avoid a concentration of on-call duty assignments involving holidays for less senior employees.
- 29.4 Once each employee has selected the minimum number of weeks of on-call duty assignment, remaining weeks shall be assigned one week at a time beginning with the least senior eligible employee and working up the seniority list until all weeks have been assigned.
- 29.5 Employees wishing to exchange on-call duty rotations with other eligible employees shall notify the Public Works Superintendent in writing signed by both employees involved in the exchange a minimum of one (1) week prior to the start of the rotation.

- 29.6 The City and the Union recognize that unforeseen circumstances that result in the need for immediate substitution of an employee assigned to on-call duty may occur. In that case, it shall be the responsibility of the employee assigned to on-call duty to contact another eligible employee to cover such period of time as the assigned employee is unable to provide on-call coverage. The employee assigned to on-call duty shall advise the Public Works Superintendent immediately upon the change in circumstances.
- 29.7 Employees assigned to an on-call duty rotation for Monday, Tuesday, Wednesday, or Thursday nights shall receive two (2) hours at one and one-half times their current hourly pay rate. If designated to be on-call for Friday, they shall receive three (3) hours at one and one-half times their current hourly pay rate. If designated to be on-call for Saturday or Sunday, they shall receive four (4) hours at one and one-half times their current hourly pay rate.
- 29.8 Employees assigned to on-call duty for holidays as defined by Article 16 shall receive four (4) hours at one and one-half times their current hourly pay rate.
- 29.9 For each on-call duty assignment, a maximum of one half (½) of the compensation hours under this article shall be eligible for conversion to compensatory time.
- 29.10 Compensation will be provided pursuant to the current AFSCME Labor Agreement when employees must respond on-site during non-business hours. An incident report will be completed and submitted to the Public Works Superintendent for each incident requiring an on-site response during non-business hours.
- 29.11 No additional compensation is provided for responding to issues that can be resolved by telephone (e.g., non-critical SCADA alarm acknowledgement or addressing resident questions by telephone), iPad or laptop provided that time spent resolving such issues does not exceed one (1) hour per twenty-four (24) hour period. The employee shall keep a record of all issues resolved by telephone, iPad or laptop along with the amount of time spent on each call or iPad/laptop issue. If the time exceeds one (1) hour per twenty-four (24) hour period, one call back period as defined in the current AFSCME Labor Agreement shall apply.
- 29.12 If the employee serving on-call duty experiences fatigue as a result of responding to calls for service which has the potential to create an unsafe working condition for that employee:
- The Public Works Superintendent shall temporarily assume the on-call duties to allow the employee adequate rest to recover.
 - The employee's schedule shall be adjusted to allow for adequate rest if the work leading to the fatigue occurs between Sunday evening at 10:00 p.m. and Friday morning at 6:30 a.m. and requires them to rest into the beginning of their next regularly scheduled shift.
 - The employee will not be required to make up these hours or be required to work past the end of their normal scheduled shift but will be paid for their regular scheduled hours.

**ARTICLE 30
NON-DISCRIMINATION**

- 30.1 Neither the employer nor the union will discriminate under the provisions of this Agreement against any employee on any basis prohibited by law.

**ARTICLE 31
SAVINGS CLAUSE**

- 31.1 This Agreement is subject to law. In the event any provision of this 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 provision shall be voided. All other provisions of this Agreement shall continue in full force and effect. The voided provision may be renegotiated at the request of either party.

**ARTICLE 32
WAIVER**

- 32.1 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.
- 32.2 The parties mutually acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any terms or condition of employment not removed by law from bargaining. All agreements and understandings arrived at by the parties are set forth in writing in this Agreement for the stipulated duration of this Agreement. The employer and the union each voluntarily and unqualifiedly waive the right to meet and negotiate regarding any and all terms and conditions of employment referred to or covered in this Agreement or with respect to any term or condition of employment not specifically referred to or covered by this Agreement, even though such terms or conditions may not have been within the knowledge or contemplation of either or both of the parties at the time this contract was negotiated or executed.

ARTICLE 33 DURATION

- 33.1 This Agreement shall be effective at 12:01: A.M. on January 1, 2026 and shall remain in full force and effect until 12:00 midnight on December 31, 2027.

ARTICLE 34 HEALTH CARE SAVINGS PLAN

- 34.1 **Establishment:** The employer shall implement a tax-advantaged Health Care Savings Plan (HCSP), effective March 1, 2019 administered by Minnesota State Retirement System (MSRS). The Health Care Savings Plan is designed specifically to address future healthcare-related costs of employees after separation from employment. The Health Care Savings Plan shall allow employees, as a group, through the collective bargaining process to designate pre-tax compensation to pre-fund eligible post-employment expenses. Contributions, interest and gains, and withdrawals from the Health Care Savings Plan shall be tax-free to the fullest extent possible under state and federal statute.
- 34.2 **Authorization and Administration:** The Health Care Savings Plan (HCSP) is administered by Minnesota State Retirement System (MSRS). The HCSP is an employer sponsored program that allows employees to invest in a tax-free medical savings account while employed by a Minnesota public employer. Minnesota State Statute authorizes MSRS to offer this program to governmental employees in Minnesota including city, state, county, school districts, and governmental subdivisions.
- 34.3 **Participation:** Participation in the HCSP shall be mandatory for all employees.
- 34.4 **Contribution Calculations:** Contributions to the HCSP, based upon employee hours, shall be calculated using the employee's appropriate pay rate at the time of conversion. Contributions are mandatory.
- 34.5 **Contribution Methodology:** Funding of the HCSP shall be in accordance with established contribution methods:
- a) **Compensatory Time Contributions:** One hundred (100) percent of compensatory time hours over eighty (80) shall be deposited into the Employee's HCSP account.
 - b) **Annual Leave Contributions upon Separation from Employment:** An employee, who is eligible to be compensated for annual leave in accordance with Personnel Policy 5.2 Annual Leave, shall have 100 percent in excess of 80 hours of the employee's accrued, unused annual leave, contributed to the employee's HCSP account upon separation from employment.
 - c) **Salary Contributions:** Employee salary contributions -- a function of years of service and corresponding percentage -- shall be deposited into the employee's HCSP account.
 - Employees with 0-5 years of Union seniority shall contribute one-half (1/2) percent of the employee's gross earnings per pay period.
 - Employees with 6-10 years of Union seniority shall contribute three-quarters (3/4) percent of the employee's gross earnings per pay period.
 - Employees with 11-19 years of Union seniority shall contribute one (1) percent of the employee's gross earnings per pay period.

- Employees with 20 or more years of Union seniority shall contribute one and half (1.5) percent of the employee's gross earnings per pay period.

d) Upon an employee's death, contributions can no longer be made to the HCSP..

34.6 **Contribution Methodology Changes:** The intent of the HCSP is for employees to determine the contribution methodology within reasonable parameters established by the employer. Contribution methodology changes shall be a cooperative effort between employees and employer.

The Union may request, prior to the expiration of the Collective Bargaining Agreement, modification of the contribution methodology upon simple majority vote of the members. The Union shall notify the employer in writing of any proposed modifications.

Requested modifications of the contribution methodology shall be subject to employer and legal counsel review prior to approval. Requested modifications of the contribution methodology shall not result in additional re-occurring costs to the employer and shall comply with all employer policies in effect at the time of the request. In addition, requested modifications of the contribution methodology shall be in compliance with state and federal statutes for tax-advantaged medical savings accounts. Contribution methodology changes and frequency are subject to approval by MSRS.

Requested contribution methodology changes, approved by the employer, shall be incorporated into any subsequent Collective Bargaining Agreement. The newly incorporated contribution methodology shall be implemented within 30 days following ratification of said Agreement.

34.7 **Account Fees:** HCSP account fees are established by MSRS and shall be paid from the employee's HCSP account.


ARTICLE 35 RETENTION PAYMENT

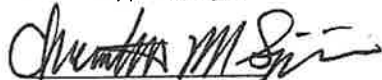
35.1 The Employer shall pay a cash retention payment to each Employee in the annual amount of \$2,000. An Employee must have successfully completed the probationary year of employment in order to be eligible to receive the payment.

35.2 The retention payment shall be paid to an eligible Employee on the first regular pay date of January for that calendar year.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this 26th day of February, 2026.

FOR THE CITY OF APPLE VALLEY:

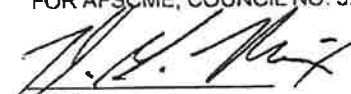

Clint Hooppaw, Mayor


Christina Scipioni, City Clerk


M. Thomas Lawell, City Administrator


Jamie Haefner, Human Resources Manager

FOR AFSCME, COUNCIL NO. 5:


Dave Mix, President


Paul Schwarz, Field Representative

**APPENDIX "A"
HOURLY WAGE SCHEDULE**

SECTION 1

2026

Effective the payroll period beginning December 13, 2025

	A (Start)	B	C	D	E
Working Foreman	35.65	38.00	40.35	42.80	45.20
Fleet Mechanic/Water Plant Operator	33.90	36.25	38.70	41.05	43.40
Technical Specialist	32.40	34.80	38.20	39.55	41.95
Maintenance Worker II	31.55	33.90	36.25	38.70	41.05
Maintenance Worker I	28.00	30.35	32.75	35.10	37.50

Effective the payroll period beginning June 27, 2026

	A (Start)	B	C	D	E
Working Foreman	35.85	38.20	40.60	43.05	45.45
Fleet Mechanic/Water Plant Operator	34.10	36.45	38.90	41.30	43.65
Technical Specialist	32.60	35.00	38.40	39.75	42.20
Maintenance Worker II	31.75	34.10	36.45	38.90	41.30
Maintenance Worker I	28.15	30.55	32.95	35.30	37.70

2027

Effective the payroll period beginning December 26, 2026

	A (Start)	B	C	D	E
Working Foreman	37.50	39.95	42.45	45.00	47.50
Fleet Mechanic/Water Plant Operator	35.65	38.10	40.70	43.20	45.65
Technical Specialist	34.10	36.60	40.15	41.55	44.10
Maintenance Worker II	33.20	35.65	38.10	40.70	43.20
Maintenance Worker I	29.45	31.95	34.45	36.90	39.40

**Effective the payroll period beginning June 26,
2027**

	A (Start)	B	C	D	E
Working Foreman	37.70	40.15	42.70	45.25	47.75
Fleet Mechanic/Water Plant Operator	35.85	38.30	40.95	43.45	45.90
Technical Specialist	34.30	36.80	40.40	41.80	44.35
Maintenance Worker II	33.40	35.85	38.30	40.95	43.45
Maintenance Worker I	29.60	32.15	34.65	37.10	39.60

STEP PLACEMENT/ADVANCEMENT

- A. Salary changes relate to continuous months of employment. The effective date for an employee's salary change shall be the anniversary date of employment. The union recognizes that the employer operates a bi-weekly payroll system and agrees that the effective date for salary changes for employee anniversaries occurring in the first week of the pay period shall be the first day of that pay period and that the effective date of salary changes occurring in the second week of the pay period shall be the first day of the next pay period.
- B. Employees shall be placed on a step of the appropriate classification, as determined by the employer. Thereafter, employees shall be eligible for an additional step increase in accordance with the pay scale and classification on the employee's anniversary date of employment.
- C.
 - 1) If an employee is transferred to a position classification which provides the employee with a promotion, that employee shall be placed, at a minimum, on the step of the new position classification which provides the employee with a wage increase, however, the employer reserves the sole discretion, to place an employee above the step providing the minimum salary increase.
 - 2) If an employee is transferred to a position classification resulting in a reduction of position classification, that employee shall be placed on the step equivalent to the step held by the employee in the employee's former position classification.
- D. Employees assigned to the Utilities division will receive an additional \$1.25/hour as supplemental pay.

SECTION 2

Base Pay Rate for Seasonal Employees:

2026

Effective the payroll period beginning December 13, 2025

	Step 1	Step 2	Step 3	Step 4	Step 5
Seasonal Maintenance I	19.60	20.20	20.85	21.50	22.15
Seasonal Maintenance II	21.00	21.65	22.30	23.00	23.70

Effective the payroll period beginning June 27, 2026

	Step 1	Step 2	Step 3	Step 4	Step 5
Seasonal Maintenance I	19.75	20.35	21.00	21.65	22.30
Seasonal Maintenance II	21.15	21.80	22.50	23.20	23.90

2027

Effective the payroll period beginning December 26, 2026

Seasonal Maintenance I	20.65	21.30	21.95	22.65	23.35
Seasonal Maintenance II	22.10	22.80	23.50	24.25	25.00

Effective the payroll period beginning June 26, 2027

Seasonal Maintenance I	20.75	21.40	22.05	22.75	23.45
Seasonal Maintenance II	22.20	22.90	23.60	24.35	25.10

Step 1 of the Seasonal Maintenance I pay scale shall be 70% of Step A of the full-time M-I scale and Step 1 of Seasonal Maintenance II pay scale shall be 75% of Step A of the full-time M-I scale. Seasonal maintenance employees shall not be entitled to City benefits nor will they be considered to be regular full-time employees who have finished the probationary period required by Article IX above.

MEMORANDUM OF AGREEMENT
Modified Work Schedule – Rest and Meal Breaks

This Memorandum of Agreement is made by and between the City of Apple Valley ("the Employer") and AFSCME Council 5, Local No. 479, ("the Union").

WHEREAS, the Employer and the Union have entered into a Collective Bargaining Agreement effective 1/1/2026 through 12/31/2027; and

WHEREAS, the 2026-2027 collective bargaining agreement between the Employer and the Union contains Article 21 relative to rest and meal breaks;

NOW, THEREFORE, the parties hereby agree as follows, effective January 1, 2026:


- I. A division may, with approval of the department head, implement a modified work schedule in which the Employees in that division work a scheduled shift of 8 hours comprising 8 hours of clock time, including a 30-minute paid meal break, but not including additional 15-minute rest periods.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the 26th day of February, 2026.

FOR THE CITY OF APPLE VALLEY:



Clint Hooppaw, Mayor



Christina Scipioni, City Clerk



M. Thomas Lawell, City Administrator



Jamie Haefner, Human Resources Manager

FOR AFSCME, COUNCIL NO. 5:



Dave Mix



Paul Schwarz

MEMORANDUM OF AGREEMENT
Shift Change

This Memorandum of Agreement sets forth a mutual agreement between the City of Apple Valley ("City") and AFSCME Council No. 5 ("Union") representing maintenance employees.

WHEREAS, the City and the Union are subject to a collective bargaining agreement in effect January 1, 2024 until December 31, 2025.

NOW THEREFORE, the parties agree as follows:

1. Employees hired on or before January 31, 2024 will not be required to work weekends through a change in their regular shift unless the employee agrees to said shift change.
 - a. If an employee accepts a job offer for a transfer or promotion to a job vacancy that was posted with a regular shift including nights and weekends, said acceptance constitutes agreement to said shift change.
2. This Memorandum of Understanding represents the full and complete agreement between the parties regarding this matter.

FOR THE CITY OF APPLE VALLEY:



Clint Hooppaw, Mayor



Christina Scipioni, City Clerk



M. Thomas Lawell, City Administrator



Jamie Haefner, Human Resources Manager

FOR AFSCME, COUNCIL NO. 5:



Dave Mix



Paul Schwarz