

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made by and between the City of Northfield ("Employer") and International Union of Operating Engineers, Local No. 70 (General Unit) ("Union").

WHEREAS, Union is the exclusive representative for certain employees of the Employer in the appropriate unit ("Bargaining Unit Employees"); and

WHEREAS, Employer and Union are parties to a labor agreement in force and effect from January 1, 2019 through December 31, 2020 ("Labor Agreement"); and

WHEREAS, the parties desire to specify certain components of the Bargaining Unit Employees' post employment health plan ("PEHP").

NOW, THEREFORE, all parties hereto understand as follows:

Article 1. PEHP

Section 1.1. Employees are eligible to participate in the Health Care Savings Plan ("HCSP") established under Minnesota Statutes, section 352.98 (Minn. Supp. 2001) and as outlined in the Minnesota State Retirement System's Trust and Plan Documents. All funds collected by the Employer on the behalf of the employee for the HCSP as described in this section of the agreement will be deposited into the employee's HCSP account.

Section 1.2. All Employee sick leave balances will be reviewed on the second week of January each calendar year.

Section 1.3. After an employee's one-year anniversary date of employment and after the Employee has accrued 120 hours of paid sick leave, the city will convert one (1) hour of the employee has accrued sick leave, per month, which will be converted into cash, and deposited in their HCSP.

Section 1.4. For each month that the employee has more than two hundred forty (240) hours of accumulated sick leave, the Employer will convert (2) hours of sick leave into cash and deposit it into their HCSP. For each month, however, that the employee has more than three hundred sixty (360) hours of accumulated sick leave, the Employer will convert three (3) hours of sick leave into cash and deposit it into their HCSP. For each month, however, that the employee has more than four hundred eighty (480) hours of accumulated sick leave, the Employer will convert four (4) hours of sick leave into cash and deposit it into their HCSP.

Section 1.5. Upon resignation 100% of the Eligible Employee's accumulated sick leave and vacation leave balances that would otherwise have been paid to the Eligible Employee had the Employer not participated in the Plan shall be paid to the employee.

Section 1.6. Upon retirement 100% of the Eligible Employee's accumulated vacation leave that would otherwise have been paid to the Eligible Employee had the Employer not participated in the Plan shall be paid to the employee.

Section 1.7. Upon retirement 100% of the Eligible Employee's accumulated sick leave that would otherwise have been paid to the Eligible Employee had the Employer not participated in the Plan shall be contributed to the Plan.

Section 1.8. Once eligible, employees will not have a waiting period if transferring to another City of Northfield HCSP.

Section 1.9. The parties' prior memorandum of understanding addressing the employees' PEHP is null, void, and no longer in force or effect.

Article 2. Entire Understanding

This MOU constitutes the entire Understanding among the parties hereto. No representations, warranties, covenants, or inducements have been made to any party concerning this MOU, other than the representations, covenants, or inducements contained and memorialized in this MOU. This MOU supersedes all prior negotiations, oral and written understandings and agreements, policies and practices with respect thereto addressing the specific subject matter addressed in this MOU.

Article 3. Waiver of Bargaining

Employer and Union each voluntarily and unqualifiedly waives the right and each agrees that while the MOU is in full force and effect the other shall not be obligated to bargain collectively with respect to the express and specific subjects or matters included in this MOU.

Article 4. Limitations

This MOU is intended for the sole and limited purpose specified herein. This MOU cannot be construed to be nor does it constitute or establish any admission of the Employer, precedent, past practice or otherwise place any prohibition or limitation on any management right of the Employer. The Employer expressly reserves the right to exercise all of its management rights without limitation.

Article 5. Amendment, Modification, or Termination

This MOU or any of its terms may only be amended, modified, or terminated by a written instrument that: (1) expressly states it is amending, modifying, or terminating the MOU; and (2) is signed by or on behalf of all of the parties hereto or their successors in interest.

Article 6. Voluntary Agreement of the Parties

The parties hereto acknowledge and agree that this MOU is voluntarily entered into by all parties hereto as the result of arm's-length negotiations during which all such parties were represented.

Article 7. Effective Date

This MOU is effective the latest date affixed to the signatures below.

IN WITNESS HEREOF, the parties hereto have executed this MOU on the latest date affixed to the signatures on the next page.

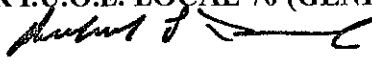
FOR THE CITY OF NORTHFIELD

Mayor

City Clerk

Dated: _____

FOR I.U.O.E. LOCAL 70 (GENERAL)




President



Business Manager



Business Representative



Recording/Corresponding Secretary



Union Steward

Dated: 8/12/2019