

AGREEMENT

BETWEEN

HOUSING & REDEVELOPMENT AUTHORITY OF DULUTH

AND

AFSCME LOCAL 66

JANUARY 1, 2023 THROUGH DECEMBER 31, 2025

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PREAMBLE

This AGREEMENT made and entered into this _____ day of _____, 20____, by and between the BOARD OF COMMISSIONERS OF THE HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH, MINNESOTA, a public body, corporate and politic, organized and existing pursuant to the laws of the State of Minnesota, hereinafter called the “HRA”,

And

AMERICAN FEDERATION OF STATE, COUNTY & MUNICIPAL EMPLOYEES – LOCAL 66, having the status of exclusive representative for certain employees of the HRA, hereinafter called the “UNION”.

WITNESSETH:

WHEREAS, the HRA is a public employer within the meaning of the Public Employment Labor Relations Act of 1971, as amended; and

WHEREAS, the UNION is an exclusive representative within the meaning of the Public Employment Labor Relations Act of 1971, as amended; and

WHEREAS, the parties desire to establish an equitable and peaceful procedure for the resolution of differences, and the establishment of rates of pay, hours of work, and other conditions or employment, to promote harmonious relations between the parties; and

WHEREAS, the HRA and the UNION have reached a full and complete understanding concerning the terms and conditions of employment that are to be covered by this AGREEMENT.

NOW, THEREFORE, THE HRA AND THE UNION HEREBY AGREE AS FOLLOWS:

ARTICLE 1: RECOGNITION

- 1.1 The HRA recognizes the UNION as the exclusive bargaining representative for all employees who are public employees within the meaning of Minnesota Statute Section 179A.03, Subdivision 14, excluding supervisory employees, other management employees, the Special Projects Administrator, and confidential employees.
- 1.2 The grades and classifications included within the bargaining unit and covered by this Agreement are those contained in Appendix A-1 and A-2.
- 1.3 In the event of a dispute between the HRA and the UNION concerning the inclusion or exclusion of a newly-created or modified job classification or position within the bargaining unit described in 1.1, either party may refer the dispute to the Bureau of Mediation Services for determination.
- 1.4 Except with respect to matters relating to compliance with the Americans with Disabilities Act or the Minnesota Human Rights Act regarding reasonable accommodations, based on a disability, the Employer will not, during the life of this Agreement, meet and confer or meet and negotiate with any individual employees or with any other employee organization with respect to the terms and conditions of employment of the employees covered by this Agreement except through the UNION or its authorized representatives. The Employer will not assist or otherwise encourage any other employee organization which seeks to bargain for employees covered by this Agreement.

ARTICLE 2: MANAGEMENT RIGHTS

The purpose of this Article is to establish the concept that management retains all of its rights except to the extent to which it was agreed to be limited to or restricted by this Agreement. It is recognized that, except as expressly stated herein, the HRA shall retain whatever rights and authority are necessary for it to operate and direct the affairs of the HRA in all of its various aspects, including, but not limited to, the right to direct the working forces; to plan, direct, and control all the operations and services of the HRA; to determine the methods, means, organization, and number of personnel by which such operations and services are to be conducted; to assign and transfer employees; to schedule working hours and to assign overtime; to determine whether goods or services should be made or purchased; to hire, promote, demote, suspend, discipline, discharge, or relieve employees due to lack of work or other legitimate reasons; to make and enforce reasonable rules and regulations; and to change or eliminate existing methods, equipment, or facilities. The HRA may take any and all actions necessary, in its discretion, to comply with the Americans with Disabilities Act or the Minnesota Human Rights Act regarding reasonable accommodations based on a disability. The HRA reserves the right to contract with third parties for goods or services of any kind, including those heretofore provided by members of this unit; however, no such contract will be made which shall result in a reduction in the work force.

ARTICLE 3: UNION RIGHTS

- 3.1 Dues Deduction. The HRA shall deduct the monthly dues or fair share fee from the earnings of those employees who are in the bargaining unit. The UNION shall submit such authorizations and certify the amounts to be deducted. The deductions shall continue in effect until canceled by the employee through the UNION. The deductions of all employees, together with a detailed record, shall be remitted to the UNION office by the 10th day of the month after such deductions are made.
- 3.2 The UNION may designate a maximum of six (6) employees within the bargaining unit as Stewards. With the consent of the employee's immediate supervisor, which shall not be unreasonably denied, the HRA agrees that during working hours, on the HRA's premises, and without loss of pay, the UNION Steward or the designated UNION representative shall be allowed reasonable time, which does not unduly interfere with the Steward's normal duties, to post UNION notices and announcements, to transmit communications authorized by the local UNION or its officers to the Employer, and to consult with the HRA, the employee involved and the designated UNION representative concerning enforcement of any provisions of this Agreement.
- 3.3 Processing Grievances. The Steward involved and the grieving employee shall not leave work or disrupt departmental routine to discuss grievances without requesting permission from his/her immediate supervisor which shall not be unreasonably withheld. The Steward involved and the grieving employee shall receive their enhanced hourly rate, excluding overtime, when a grievance is investigated or processed during working hours in Step 1 and Step 2 or the grievance procedure. Employees shall not receive pay when a grievance is processed in Step 3 or Step 4 of the Grievance Procedure.
- 3.4 Bulletin Board. The HRA shall provide reasonable space on designated employee bulletin boards for the posting of official UNION notices and announcements.
- 3.5 Changes in Employment Status. The HRA shall notify the UNION in writing of the names, classifications, and addresses of all employees added to the bargaining unit or removed from the bargaining unit, on a monthly basis.
- 3.6 Exclusivity. No other employee organization shall be granted payroll deduction for dues for employees covered by this Agreement.

- 3.7 Consultations between UNION representative(s) and employee(s), to the extent they occur on HRA premises, shall only be conducted in a private setting, which shall be made available by the Employer.
- 3.8 Within the first two weeks of a new bargaining unit member's commencement of employment, the HRA shall allow an appointed UNION designee up to thirty minutes of orientation time to meet with the new employee at the new employee's work location. The time of the UNION designee and the new employee shall be documented by both employees and the time for both employees shall be paid by the UNION. The thirty minute limit includes the UNION designee's travel time to and from the new employee's work location.

ARTICLE 4: DEFINITIONS

- A. **CALL BACK** shall mean requiring an employee who is not on Standby to report to work outside the employee's scheduled hours.
- B. **DEMOTION** shall mean the voluntary change of an employee from a position in one classification to a position in another classification with less responsible duties signified by a lower rate of pay.
- C. **DEPARTMENT** shall mean a section defined by the HRA in an organizational chart and includes a HUD-defined AMP or group of AMPs or a group of buildings operated as a single housing development as signified by a common name, common ownership, or common administration.
- D. **ENHANCED HOURLY RATE** shall mean the total of employee's step hourly rate, hourly longevity pay, and hourly boiler pay.
- E. **IN PAYROLL STATUS** shall mean receiving wages for time worked or compensation for time off work (sick leave pay, holiday pay, vacation, workers compensation indemnity benefits, short-term paid leave, personal leave, and compensatory time).
- F. **PERMANENT POSITION** shall mean a position that fall within one of the job classifications in Appendix A-1.
- G. **PROMOTION** shall mean the change of an employee from a position in one classification to a position in another classification which requires the performance of more responsible duties signified by a higher rate of pay.
- H. **REASSIGNMENT** shall mean a change by an employee from a position in one classification to a position in another classification having the same rate of pay.
- I. **REGULAR EMPLOYEE** shall mean a Regular Full-Time Employee and a Regular Part-Time Employee.
- J. **REGULAR FULL-TIME EMPLOYEE** shall mean an employee hired to fill an authorized job position for a normal work week of at least 37.5 hours.
- K. **REGULAR PART-TIME EMPLOYEE** shall mean an employee hired for a work week of more than 14 hours and fewer than 37.5 hours and who will work more than 67 days per calendar year, except in the case of students as defined in Minnesota Statutes, section 179A.03, subd. 14, which statute shall govern as to students. Part-Time Employees shall be eligible for vacation, sick leave, paid holidays, and personal leave benefits on a pro-rata basis based upon scheduled hours per week. If a Part-Time Employee is eligible to participate in the hospital-medical insurance program, the Employer will pay a pro-rata share of the premium and the employee shall pay the balance. If a Part-Time Employee is eligible to participate in retirement/pension benefits, the Employer will pay the cost of such retirement/pension benefits.
- L. **REPORT TO WORK** shall mean when the employee physically reaches the work site.

- M. **STANDBY** shall mean an assignment by management requiring an employee to be ready and available for immediate response to HRA-related matters.
- N. **STEP HOURLY RATE** shall mean the employee's hourly wage rate as set forth in Appendix A-2, as applicable.
- O. **TEMPORARY EMPLOYEE** shall mean an employee hired for seasonal or intermittent periods of work not to exceed 67 work days per calendar year, except in the case of students as described in Minnesota Statutes, section 179A.03, subd. 14, which shall govern as to students. Temporary employees shall not be hired for successive periods of employment. Temporary employees shall not be covered by this Agreement.
- P. **TIME ACTUALLY WORKED WHILE ON STANDBY** shall mean the period the employee performs assigned work tasks after reporting to and prior to leaving the work site measured in fifteen (15) minute increments rounded to the nearest fifteen (15) minutes.
- Q. **TRANSFER** shall mean the relocation of an employee to a different work location without a change in classification or pay.
- R. **"WITHIN SEVEN WORKING DAYS"** shall mean the action required is completed not later than the seventh working day after the day on which the preceding action triggering the responsive action occurs. For example, if a grievance meeting occurs on Monday and the Employer's written response is due **within seven working days** after the meeting, the response will be due by the close of business on the following Wednesday (provided that none of the intervening days is a holiday) because any weekend days and holidays shall not count as working days.
- S. **WORKING DAYS** shall mean all days except Saturdays, Sundays, and holidays on which the Employer is not open to conduct business.

ARTICLE 5: PROBATIONARY PERIOD

- 5.1 Original Employment Probationary Period: Regular employees shall, as a condition of employment, serve a six (6) continuous month probationary period. The probationary period shall apply to all regular employees, including former employees who are re-employed following separation.
 - A. Employees may be terminated during the probationary period at the sole discretion of the HRA without such termination being a violation of this Agreement or being grievable through the grievance procedure established by Article 18 (Grievance Procedure).
 - B. During the probationary period, employees shall accrue sick leave and vacation as established by Article 8 (Sick Leave) and Article 9 (Vacation).
 - C. Employees shall have no seniority status during the probationary period. Upon the successful completion of the probationary period, employees shall be assigned a seniority date as of their first day of work.
- 5.2 All newly employed Maintenance Mechanics shall serve a six (6) month probation period after which a written evaluation shall be made by the supervisor. An additional six (6) months of on-the-job training shall be conducted and a written evaluation shall be made by the employee's supervisor at the completion of that training period. Employees may be terminated during any of the above training periods without such termination being a violation of this Agreement or being grievable through the grievance procedure established by Article 18, Grievance Procedure.

5.3 Promotional and Reassignment Probationary Period. Regular employees promoted or reassigned to a job classification covered by this Agreement shall serve a probationary period of ninety (90) calendar days. Employees promoted or transferred to a job classification not covered by this Agreement shall have ninety (90) calendar days in which to return to their previous job classification. The employee's seniority shall continue to accrue during this period.

- A. At any time during the probationary period an employee may be returned or reassigned to the employee's previously held job classification at the discretion of the HRA with appeal to the HRA Board of Commissioners. Written notice of a desire to appeal by the employee or the UNION must be received at least ten (10) working days prior to the next regularly scheduled Board meeting. This appeal is not grievable under Article 18 (Grievance Procedure). If an employee does not successfully complete a promotional probationary period, the employee shall be returned to the employee's previously held job classification. At any time during the probationary period, an employee may elect voluntarily to return to the job classification previously held by the employee prior to promotion or reassignment. When an employee is returned or voluntarily returns to their previous job classification, the employee shall be restored to all seniority accrued at the time of the promotion or reassignment.
- B. Employees returned to their previously held job classification shall suffer no break in their seniority, length of service for the purpose of benefits, and shall be compensated at the step hourly rate received prior to the promotion (including an annual increment and a general increase if applicable under the provisions of Article 11 (Hourly Rate Schedule)).

ARTICLE 6: HOURS OF WORK

6.1 Work Day. Employees will be offered two options for schedules based on seniority by position OR by position within a department. Hours of work will be determined by the supervisor based on the needs of the agency within the hours identified below.

OPTION 1 (4-day work week):

During non-holiday weeks the employee will work three days of 10.5 hours each inclusive of one 60-minute unpaid lunch break per day, and one 10-hour day inclusive of one 60-minute unpaid lunch break. During holiday weeks the employee will work 8.5 hours each work day inclusive of one 60-minute unpaid lunch break per day and receive 7.5 hours of holiday pay for the identified holiday(s). Work hours shall be between the hours of 6 am and 7 pm, Monday through Friday as determined by the needs of the HRA.

OR

During non-holiday weeks the employee will work three days of 10 hours each day inclusive of one 30-minute unpaid lunch break per day, and one 9.5-hour day inclusive of one 30-minute unpaid lunch break. During holiday weeks the employee will work 8.5 hours each work day inclusive of one 60-minute unpaid lunch break per day and receive 7.5 hours of holiday pay for the identified holiday(s). Work hours shall be between the hours of 6 am and 7 pm, Monday through Friday as determined by the needs of the HRA.

OPTION 2 (5-day work week):

Employee will work five consecutive days of 8.5 hours each day inclusive of one 60-minute unpaid lunch break per day. Employees will have a minimum of two consecutive days off. Work hours shall be between the hours of 7 am and 5 pm, Monday through Friday as determined by the needs of the HRA.

OR

Employee will work five consecutive days of eight hours each day inclusive of one 30-minute unpaid lunch break per day. Employees will have a minimum of two consecutive days off. Work hours shall be between the hours of 7 am and 5 pm, Monday through Friday as determined by the needs of the HRA.

No employee will be required to work a four-day work week. Regarding standby, employees may be scheduled for standby regardless of their unscheduled days. Management will follow the standby procedure and staff may switch standby shifts by finding their own replacement subject to the approval of management.

6.2 Work Week.

- A. The work week shall consist of seven days beginning 12:01 a.m. on Sunday and ending at 12:00 midnight on Saturday.

6.3 Work Schedules. At no time shall split shifts of work be scheduled such as four hours on and four hours off, except in the case of Resident Caretakers.

In an emergency situation, the Employer shall be permitted to modify the weekly schedule of employees voluntarily working the four-day work week option. This shall be done on a rotating basis in reverse order of seniority. Schedule changes made by management shall be posted with at least ten (10) calendar days advance notice. Scheduling of work hours shall be done on a voluntary basis if possible. If the work schedule is not filled on a voluntary basis, such schedule shall be filled by a rotation basis. Seniority shall be used as a factor in resolving scheduling conflicts. Unresolved scheduling disputes are subject to the grievance procedure. Schedules modified as a result of the changes in hours of operation effectuated as above shall not result in loss of holiday pay.

Schedules shall be reviewed on October 1st and April 1st. Requests for modified schedules will not be unreasonably denied. If denied the reason for denial will be in writing and may be appealed to the Executive Director. This decision is not subject to the grievance procedure.

6.4 Rest Periods. A rest period, not to exceed fifteen (15) minutes, as scheduled by the supervisor, may be taken during each full four-hour period of work or, for employees working a 7 ½ hour shift, during each full three hour forty-five minute period of work. Employees who work 7 ½ hours or more per shift shall be entitled to one unpaid meal break of not less than thirty (30) minutes. Employees required by the HRA to work in excess of two (2) hours after completion of their regular work day shall be permitted one paid thirty (30) minute meal break.

6.5 Notification of Absence. Employees shall be present for work at the start of their scheduled work day. Employees unable to be present at the start of their scheduled work day or who will be absent shall notify their supervisor, or designee, prior to or within thirty (30) minutes after the start of their scheduled work day except in the event of an emergency. Absence without prior authorization or approval may be considered sufficient cause for suspension or dismissal of the employee at the discretion of the Employer. Absence without prior authorization or approval for more than three (3) consecutive days shall be deemed to be a voluntary resignation by the employee. An employee who is deemed to have resigned because of more than three (3) consecutive days of unexcused and unapproved absences shall have the right to contest such fact by use of the grievance procedure under the terms of the contract.

6.6 All employees shall be paid every two weeks and pay for each such two-week period shall be made not later than the first Friday next following such two-week period. If any such Friday occurs on a holiday, checks shall be distributed on the working day next prior to such holiday.

ARTICLE 7: OVERTIME, CALL BACK, AND STANDBY SCHEDULING

7.1 Overtime shall be defined as all hours worked, which have been assigned or approved by an employee's supervisor, in excess of a 37.5 hour work week.

7.2 Types of Overtime. There are three types of overtime:

- A. Routine Overtime is overtime identified in the normal course of business for regular work except for overtime scheduled related to boiler operations.
- B. Boiler Watch is overtime needed to effectively and efficiently monitor the boiler systems of the buildings owned or managed by the HRA.
- C. Emergency Overtime is overtime needed to respond to an unforeseen urgent situation or need as defined by the Executive Director of his/her assignee.

7.3 Prior Approval. Except for obvious emergency situations, overtime shall have the prior approval of an employee's supervisor.

7.4 Assignment of Overtime.

- A. Routine Overtime. Resident Caretakers and Maintenance Technicians shall first be offered routine overtime work in their own building or if the building's caretaker is unavailable or declines, within their group of buildings, as equally as possible, before it is offered to others, assuming the work to be performed falls within their job description. Overtime will then be offered in order of seniority within the department as equally as possible in the classification qualified to perform the work. Should the overtime work require a special skill, the supervisor shall offer it to employees qualified to perform such special skill. Offers of overtime shall continue down the applicable overtime rotation list by department and then agency wide. An employee's refusal to accept overtime assigned consistent with the normal rotation shall result in the employee moving to the bottom of the rotation just as if he or she had worked the overtime. In the event no one wishes to work overtime, it shall be assigned in order of reverse seniority within the department where the overtime is needed. When an employee volunteers for overtime, that overtime shall be considered mandatory. If overtime is required to complete work in progress, the supervisor may require employees engaged in such work to work such overtime.

The above equality requirement shall not apply to employees from whom overtime is being withheld under Article 17 (Discipline and Discharge) of this Agreement.

- B. Boiler Watch. When needed, overtime to monitor boiler operations and/or maintain or repair boilers will be assigned to employees who hold the appropriate and applicable licensure. The employee assigned to boiler watch shall be responsible to perform the work in accordance with State Law.
- C. Emergency Overtime. Overtime will first be offered to qualified employees who have agreed to be placed on a voluntary overtime list. Employees may place or remove their names from the voluntary overtime list weekly. When an employee places his/her name on the voluntary overtime list and accepts an assignment, the employee shall abate the nature of the emergency. If there is no qualified employee on the voluntary emergency overtime list, management may meet emergency overtime needs using the Call Back of Standby provisions of this Agreement.

7.5 Rate of Overtime – Administrative Employees.

- A. Overtime hours assigned or approved for employees shall be paid at the rate of one and one-half (1 ½) hours for each one (1) hour of overtime worked, or with the approval of the supervisor, compensatory time off at the rate of one and one-half (1 ½) hours for each overtime hour worked. All employees under this contract who choose to bank approved compensatory time off shall be permitted to bank such compensatory time off during a calendar year. Compensatory time off shall be taken at times agreed to by the supervisor and the employee. Any request for compensatory time off shall not be denied if the use of the compensatory time does not unduly disrupt the operations of the Employer. Any request for compensatory time off that is denied by the supervisor shall be in writing stating the reason for the denial. If an employee is unable to take said compensatory time off before the end of the year, the employee shall automatically be paid for said accumulated compensatory time no later than January 31 of the following year in which the compensatory time was earned; except that at the employee's option, compensatory time earned in December may be carried over to the following year. Compensatory time shall be paid at the hourly rate of pay at which it was earned.
- B. All hours assigned or approved and worked on a holiday as established by Article 10 (Holidays) shall be paid at the rate of two and one-half (2 ½) times an employee's enhanced hourly rate.

7.6 Rate of Overtime – Maintenance Employees and Resident Caretakers.

- A. Overtime hours assigned or approved for employees shall be paid at the rate of one and on-half (1 ½) hours for each one (1) hour of overtime worked.
- B. All hours assigned or approved and worked on a holiday as established by Article 10 (Holidays) shall be paid at the rate of two and one-half (2 ½) times an employee's enhanced hourly rate. For the purposes of standby with respect to these four holidays – January 1, July 4, December 24, and December 25 – holiday pay for time worked will be paid only on the actual holiday if the actual holiday and the observed holiday differ.
- C. Pursuant to the Contract Work Hours and Safety Standards Act, all Maintenance employees must be paid for all overtime worked, and may not receive compensatory time off in lieu of overtime worked, except that hours worked between 37.5 hours per week and 40 hours per week may be compensated as compensatory time at the overtime rate. When compensatory time is permitted by law, compensatory time off shall be taken at times agreed to by the supervisor and the employee. Any request for compensatory time off shall not be denied if the use of the compensatory time does not unduly disrupt the operations of the Employer. Any request for compensatory time off that is denied by the supervisor shall be in writing stating the reason for the denial. If an employee is unable to take said compensatory time off before the end of the year, the employee shall automatically be paid for said accumulated compensatory time no later than January 31 of the following year in which the compensatory time was earned; except that at the employee's option, compensatory time earned in December may be carried over to the following year. Compensatory time shall be paid at the enhanced hourly rate at which it was earned.

7.7 No compounding. For the purpose of compensating for overtime work, overtime hours worked shall not be paid or compensated twice for the same hours worked, but shall be paid or compensated for under only one provision of this Article.

7.8 Call Back.

- A. The HRA reserves the right to call back employees before the start of a work day or a work week and after an employee has completed a normal work day or normal work week. Call back

assignments for routine overtime will be determined pursuant to Section 7.4A recognizing seniority rights. Call back assignments for emergency overtime will be based upon need rather than seniority, and per Section 7.4C, the HRA may select employees for call back using a list of employees who have volunteered for emergency overtime.

- B. Employees, other than resident caretakers assigned within their own department, who are called back by the HRA shall receive credit for a minimum of three (3) hours pay at one and one-half (1 ½) times the employee's enhanced hourly rate, except that such three (3) hour minimum pay requirement shall not apply in instances where the call back time extends into the employee's regularly scheduled shift. Such three (3) hour minimum pay requirement shall also not apply to phone calls, unless the phone calls exceed 15 minutes in length or an average of four (4) phone calls or more per week. Employees not eligible for the three (3) hour minimum pay will receive pay for actual time spent on the phone. In the event the employee is called back more than once during a seven and one-half (7.5) hour period, such employee shall not receive more than seven and one-half (7.5) hours pay at the overtime rate for such period.

7.9 Standby Scheduling.

- A. The HRA reserves the right to place employees on a standby schedule. The standby list will be posted at least monthly.
- B. The Employer will first offer standby to qualified employees based on seniority who have volunteered. If there are not enough volunteers to cover all standby needs, the Employer will assign standby in order of reverse seniority to those qualified employees who did not work standby within the preceding month. If all qualified employees worked standby within the preceding month, standby will be assigned to qualified employees in the order of reverse seniority. In creating the monthly standby schedule, standby may be assigned to multiple days at one time to the same employee. If an employee becomes unable to work their planned standby schedule, as contemplated in the monthly schedule, the HRA shall make an emergency assignment of any vacant standby shift first to a qualified employee within the category of employees with the fewest scheduled standby dates in the previous month. Vacant standby will be assigned in reverse seniority within that category of qualified employees.
- C. Employees who are on standby duty shall receive a stipend equal to three (3) hours pay at the rate of one and one-half (1.5) times their enhanced hourly rate for each day they perform this duty. The standby duty stipend is not subject to any adjustment for the holiday. In addition to the stipend, employees shall receive pay for any time actually worked while on standby duty at the rate of one and one-half (1.5) times of their enhanced hourly rate.

ARTICLE 8: SICK LEAVE

- 8.1 Eligibility. Sick leave with pay shall be accrued by all regular employees at the rate of fifteen (15) hours for each one hundred sixty-two and one-half (162.5) hours worked.
- 8.2 Maximum Accumulation. Sick leave not taken by employees may be accumulated during the first through the sixth year of employment up to a maximum of four hundred fifty (450) hours in addition to that accrued in the current calendar year. Employees may accumulate a maximum of nine hundred (900) hours after their sixth year of employment has been completed in addition to that accrued in the current calendar year.
- 8.3 Uses of Sick Leave. Accumulated sick leave shall be approved for use by a regular employee for the following reasons:

- A. In the event of personal illness or injury, which prevents an employee from performing job duties and responsibilities, accumulated sick leave may be drawn until it is exhausted, subject to the approval of the employee's supervisor.
- B.
 - 1. Upon request, up to ninety (90) hours of an employee's accumulated paid sick leave can be used per rolling twelve-month period, upon approval of the employee's supervisor, for care and attendance upon a member of the immediate family for medical, dental, and optical treatments, or for absence due to illness in the immediate family of the employee where attendance of the employee is necessary. "Immediate family" for this purpose shall be deemed an employee's spouse, current identified cohabitant, child, step-child, parent, step-parent, parent-in-law, grandparent, great grandparent, grandchild, sibling, and minor wards of the employee.
 - 2. Notwithstanding paragraph B.1., in any rolling twelve-month period, upon request and upon approval of the employee's supervisor, an employee may use up to one hundred sixty (160) hours of his/her accumulated sick leave benefits for absences due to an illness of or injury to the employee's spouse, sibling, parent, grandparent, step-parent, or adult child. Hours used under this paragraph count toward the hours limit under paragraph B.1.
- C. When the use of sick leave is approved, the days or hours of absence shall be deducted from an employee's accumulated sick leave.

In the event of illness or injury of an employee's child and/or step-child, an employee may use his/her personal sick leave for such reasonable periods as the employee's attendance with the child is necessary, on the same terms as the employee is able to use sick leave benefits for the employee's own illness or injury in accordance with the Minnesota Parenting Leave Act (Minn. Stat. Sec. 181.940).

- D. Employees must obtain prior approval from their immediate supervisor for the purpose of attending medical, dental, and/or optical examinations or treatments when such examinations or treatments are necessary during working hours. Such absence shall be approved as necessary only when the employee has made a diligent but unsuccessful effort to have such examinations or treatments conducted prior to the employee's normal work day, after the employee's normal work day, or on a day off.
- E. Sick leave will not be allowed during a previously scheduled vacation unless the employee is under the care of a physician because of an unexpected illness and the employee furnishes a written statement signed by the physician indicating the number of days the employee was actually confirmed ill.

8.4 Medical Verification. Whenever any employee is absent on sick leave in excess of three (3) consecutive working days, the HRA may require the employee requesting the use of sick leave to furnish a written statement signed by a physician to justify such absence on sick leave. Employees failing to provide such evidence shall be considered to be absent without pay or may elect to have the absence charged to earned vacation. This section shall not apply to funeral leave (Sec. 8.8).

If an employee's supervisor reasonably believes that an employee's use of sick leave is unjustified, the supervisor may notify the employee in writing that any subsequent absences due to illness shall require a written statement signed by the employee's physician in order to allow the employee to use sick leave to cover the absence. If a written statement is not provided, the use of sick leave shall be denied and the denial is not appealable or subject to the grievance procedure.

- 8.5 Probationary Employees. Employees serving the probationary period, based on original hire or rehire following separation, shall accrue sick leave but shall not be eligible to use sick leave during the first thirty (30) days of employment.
- 8.6 Abuse of Sick Leave. Abuse of the sick leave benefit shall be considered just cause for discipline of an employee, as established by Article 17 (Discipline and Discharge).
- 8.7 Employee Notification. Employees requesting approval of the use of sick leave shall have the personal responsibility of notifying their supervisor, or designee, in accordance with the provisions of Article 6 (Hours of Work) Section 6.5.
- 8.8 Funeral Leave. Upon request, a maximum of five (5) days of sick leave shall be granted to an employee for the death of an employee's spouse, or an employee's or employee's spouse's child, parent, step-parent, brother, step-brother, sister, step-sister, legal ward of the family, or current identified co-habit person.

Upon request, a maximum of three (3) days of sick leave shall be granted to an employee for the death of an employee's or employee's spouse's grandmother, grandfather, great-grandmother, great-grandfather, grandson, granddaughter, great-grandson, great-granddaughter, niece, or nephew.

At the discretion of the supervisor, employees may be allowed to use up to 3.75 hours of sick leave for funerals of others not listed above.

ARTICLE 9: VACATIONS

- 9.1 Schedule of Accrued Vacation. Regular employees shall accrue paid vacation in accordance with the following schedule:

Continuous Years of Employment	Hours/Month Administrative & Maintenance	Days/Year
0-5	7 ½	12
6-11	11 ¼	18
12-20	14 ⅓	23
21 and over	17 ½	28

- 9.2 Probationary Employees. Probationary employees shall accrue paid vacation, but shall not be eligible to use accrued vacation until after the completion of the probationary period.
- 9.3 Scheduling of Vacation. Regular employees may request in writing the use of accrued vacation at a time and for a duration which is approved by the Supervisor. The approval of the use and duration of accrued vacation is subject, in all cases, to the staffing and operational needs of the HRA and prior approval of the employee's supervisor. Employees requesting five (5) or fewer days of vacation shall request such vacation at least three (3) working days prior to the commencement of said vacation; employees requesting more than five (5) vacation days shall request such vacation at least ten (10) working days in advance. The Supervisor will respond in writing within ten (10) working days and prior to the commencement of the period requested.
- 9.4 Vacation Increments. Employees can use vacation in fifteen-minute increments at times approved by their supervisor. Employees requesting vacation in an amount less than one work day shall not be subject to the three-day prior notification as established in Article 9 (Vacation), Section 9.3, but shall be subject to approval by their supervisor.

- 9.5 Vacation Charges. Employees who utilize vacation shall be charged only for the number of hours they would have been scheduled to work during the period of absence. Holidays that occur during vacation periods will be paid as a holiday and not charged as a vacation day.
- 9.6 Vacation Carryover. Vacation not taken by employees may be accumulated during the first through the nineteenth year of continued employment at a maximum of two hundred twenty-five (225) hours in addition to that accrued in the current calendar year. Employees with over twenty years of continued service may accumulate a maximum of two hundred eighty-five (285) hours in addition to that accrued in the current calendar year.
- 9.7 Separation. Regular employees who separate or retire from employment shall be compensated for all accrued vacation accumulated as of the date of separation, with the following exceptions:
- A. Regular employees who are terminated during their original employment probationary period shall not be compensated for accrued vacation.
 - B. In the event of death of any employee, any vacation time accumulated to the credit of such deceased employee shall be paid to the employee's spouse or estate in accordance with Minnesota Statutes, Section 181.58, as amended.
- 9.8 Removed – January 1, 2023
- 9.9 Advanced Vacation. Vacation leave may not be granted until it is actually accrued.
- 9.10 Work During Scheduled Vacation. No employee shall be compelled to work during his/her approved vacation unless notice of such requirement be given at least ten (10) working days prior to the first day of such approved vacation.
- 9.11 Vacation Donation. Employees who have exhausted their paid leave in connection with their own or their family's medical condition may request that the Employer ask other employees to donate vacation time for their use. An employee may donate vacation days or a portion of a day for the benefit of a fellow employee who has exhausted all of his or her paid leave in connection with a medical condition of his or her own or of a member of his or her own immediate family which qualify for the use of the employee's sick leave under Article 8 (Sick Leave) of this Agreement. If more hours are donated than needed, the donations shall be pro-rated among all employees to arrive at the amount needed.
- 9.12 Denied Vacation Hours Payout. In the event during a calendar year an employee who has reached the cap for vacation hours carryover and has requested, prior to July 1 of the year and again prior to November 30 of the year, to use in that calendar year his/her current year's accrual of vacation hours which cannot be carried over but had both requests denied due to the needs of the HRA, the employee shall receive a cash payment equal to the number of said twice-denied vacation hours multiplied by the employee's enhanced hourly rate. Denials of requests to use vacation hours for reasons other than the needs of the HRA (for example, for failure to follow applicable timelines of Article 9.3, asking to use time not yet accrued contrary to Article 9.9, or otherwise not complying with HRA policies for use of vacation time) are not considered "denials" of requests to use vacation hours so as to qualify for a payout of the unused hours.

ARTICLE 10: HOLIDAYS

10.1 Subject to Article 10.2 and Article 4.2, as applicable, regular employees shall observe the following holidays and personal leave days with pay as stated in Article 6.3 (Work Schedules/Flexible Hours):

New Year's Day	January 1
Martin Luther King Day	Third Monday in January
Presidents' Day	Third Monday in February
Memorial Day	Last Monday in May
Juneteenth	June 19
Independence Day	July 4
Labor Day	First Monday in September
Indigenous People's Day*	Second Monday in October
Veterans' Day	November 11
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving	The day after Thanksgiving
Christmas Eve Day	December 24
Christmas Day	December 25

Two Personal Leave Days To be taken at a time mutually agreed to by the employee and the employee's supervisor.

10.2 In the event the holiday falls on a day the employee is not regularly scheduled to work, the holiday will be observed by that employee on his/her closest scheduled work day.

*In years during which Christmas Eve Day falls on a Saturday or Sunday, Indigenous People's Day will not be observed as a holiday.

Holiday pay shall be at seven and one-half (7.5) hours for each of the holidays listed above. Personal leave days shall be paid at seven and one-half (7.5) hours. Work weeks will be adjusted via personal leave, adjusted hours of work, or time off to total 37.5 hours including holiday pay.

10.3 Eligibility.

- A. To be eligible for a paid holiday, an employee must work the last scheduled work day before a holiday and the first scheduled work day following a holiday. Employees absent on the scheduled work day preceding or following a paid holiday due to approved use of sick leave, vacation, compensatory time, or personal leave shall be considered to have worked.
- B. All employees on original employment probationary time shall have worked for at least six (6) continuous months in a calendar year to be eligible for the two (2) personal leave days established by Section 10.1.

ARTICLE 11: HOURLY RATE SCHEDULE

11.1 Hourly Rate Schedule.

- A. Administrative and Maintenance employees shall be compensated in accordance with the job titles and classification and step hourly rate schedule as established by Appendix A-1 and A-2 attached hereto and made a part of this Agreement. No lower or higher rates of pay shall be paid during the life of this Agreement unless previously negotiated between the Employer and the UNION. Rates

of pay for new classifications created by the Employer shall be subject to UNION approval prior to the appointment of an employee to the new classification.

- B. Initial Appointment. Initial appointments shall be compensated at the minimum rate of the step hourly rate schedule for the job title and classification.
- C. Step Increases. Administrative and Maintenance employees whose performance has been determined to be satisfactory by the employee's supervisor and the Executive Director, shall receive step increases, based on hours paid, excluding overtime hours, until the step hourly rate schedule maximum for the employee's job classification is reached. An employee whose step increase is to be withheld shall be notified by the Executive Director at least ten (10) working days prior to the date and shall have the right to appeal to the HRA Board of Commissioners, whose decision shall be final. All such increases shall be made on the first of the month following the employee's accrual of hours needed to reach the next step. Employees shall be notified in writing as to when a new increase of pay will take effect and the amount of the increase.

11.2 Longevity Pay. Regular administrative and maintenance employees who have been employed for eight (8) continuous years in a permanent position with the HRA shall be authorized to receive a longevity award equal to four percent (4%) of the employee's step hourly rate as of the first of the month following completion of their eighth (8th) year of service. Upon completion of sixteen (16) years of service, an employee shall receive an additional longevity award equal to four percent (4%) of the employee's step hourly rate. Such longevity award shall be computed to the nearest cent per hour. The time an employee is on an unpaid leave of absence, except for an unpaid medical leave of absence, shall not be computed in determining time of eligibility for longevity pay.

11.3 Boilers License. When an employee is required to hold and use a boilers license, the following premiums shall be paid:

- A. All Resident Caretakers who obtain and maintain a Special License will be paid \$0.25 per hour in addition to their hourly wage as set forth in the Collective Bargaining Agreement.
- B. Two (2) Second Class Engineer License holders will be paid \$0.50 per hour in addition to their hourly wage as set forth in the Collective Bargaining Agreement.
- C. Two (2) First Class or Chief Engineer License holders will be paid \$1.00 per hour in addition to their step hourly wage.
- D. One (1) License Holder in Charge as designated by the Executive Director or her/his designee will be paid \$1.25 per hour in addition to the step hourly wage.
- E. If the HRA determines that additional employees are required to hold a license, the selection will be made by seniority within the job classification. Employees hired prior to January 1, 2014 may decline the assignment and the assignment will go to the next most senior employee within the job classification and the employees who declined the assignment are deemed to have permanently waived their seniority rights to be assigned work requiring the license.
- F. No employee shall be compensated for holding more than one license at any given time. In the event more employees possess any such license than are authorized to receive compensation as set forth above, the most senior employee (or, in the case of Special, Second, or First Class employees) shall receive the additional compensation. In the event more senior employees subsequently obtain licensure, the more senior employees shall thereupon receive the additional compensation instead of the previously selected less senior employee or employees.

- G. The HRA will reimburse employees for tuition or course fees and test fees incurred by such employee after such employee passes the test.
- H. If the HRA determines there are not enough license holders to fill the spots identified in 11.3 A, B, and C, the HRA will pay the enhanced hourly rate for training time and travel time and mileage related to obtaining a boiler license for as many persons as the HRA determines need to be trained. This will be determined based on staff who are ready to test up (have the necessary observation hours and the necessary license). This is not based on seniority unless two employees are equal in those areas, then the most senior will have the opportunity for training. The HRA will pay for training and travel (related to obtaining a boiler license) for an individual employee only one time per license level. If the employee does not pass the test, the HRA is able to move to the next ready employee. This will not be subject to the grievance process.
- I. The HRA will pay the annual renewal fee for any employee who acquires a license whether or not the license is used on the HRA's behalf.
- J. All Resident Caretakers hired by the HRA after August 31, 1998 shall be required to obtain a Special License within six (6) months of their date of hire.
- K. The above hourly compensation shall be considered wages for pension purposes.

11.4 Promotion, Reclassification. A regular administrative or maintenance employee promoted to a higher job classification shall have his/her step hourly rate increased to the greater of the minimum rate of pay for the new classification, or to the salary step in the new classification which is closest to but not less than a two percent increase over the employee's current step hourly rate; provided, however, in no event shall such pay exceed the scheduled pay for Step E in the new classification. Any regular employee who has held a permanent position in a higher classification and pay step shall be paid the same or higher rate of pay if returned to the same classification at a later date.

- A. A regular maintenance employee promoted to an administrative position which that employee has previously held as a full-time permanent position, shall be placed at the same hourly rate step previously held in that position so long as it results in an increase to the employee's step hourly rate, and if it does not, at the lowest step hourly rate in that classification which will result in an increase in the employee's step hourly rate.
- B. A regular maintenance employee promoted to an administrative position not previously held before shall be paid at the lowest hourly rate step in that classification which will result in an increase in the employee's step hourly rate.

11.5 Demotion. Administrative and Maintenance employees who elect to be demoted to another position shall be paid at the same step as they were paid in their position held prior to the demotion.

11.6 Out of Class Work. Employees doing work normally performed by a higher job class shall be paid at the higher job class rate in the same manner equal to Article 11.4 (Promotion, Reclassification) for each hour they do the higher level of work. Employees shall only be entitled to this pay if their supervisor directs them to do the work. A lead mechanic shall not direct employees to perform work generally performed by a higher job class without prior approval of his/her supervisor.

11.7 Required Licensing. If the HRA determines a certification or license is needed by an employee, the Executive Director may require the employee to obtain the applicable certification or acquire the license to meet the minimum qualifications of the job. When the HRA requires a certification or license, the HRA shall pay all costs related to the certification or license which the Executive Director determines, in his or her sole discretion, are appropriate.

ARTICLE 12: INSURANCE

12.1 Health and Hospitalization Insurance.

- A. During the period of this Agreement, the HRA agrees to provide employees hospital-medical insurance coverage containing the same level of benefits as provided under the hospital-medical insurance plan presently in effect; provided, however, that such insurance is contingent upon the HRA being able to continue in the City of Duluth group plan. If the City of Duluth should terminate this relationship, then this Article must be renegotiated. If the benefits provided under the City of Duluth plan are reduced or improved to its employees, then it is agreed that such benefits will be reduced or improved to the employees under this contract.
- B. For employees electing and eligible for individual or family hospital-medical insurance coverage, HRA agrees to pay a portion of the cost, fees, and premiums for approved hospital-medical insurance plans equal to 80%, and employees shall pay 20% of such costs, fees, and premiums. Employees' contributions for the next month's premium will be withheld in equal amounts from the first and second paycheck payable to the employee each month.
- C. Hospital-medical insurance shall become effective ninety (90) calendar days from the date of hire.
- D. Any proposed change in the hospital-medical insurance coverage shall be negotiated with the UNION for employees participating under the plans available as provided in paragraph 12.1B.
- E. Any employee electing single coverage hospital-medical insurance shall receive, as additional compensation, the sum equivalent to \$100.00 per month (\$50 per paycheck for the first two paychecks of the month) which shall be subject to taxation.
- F. Each of the parties shall join in and participate in the cost cutting measures being carried on by the City of Duluth in an attempt to reduce the expenses of the City of Duluth in providing health services, hospitalization services, and medical treatment for the employees of the City of Duluth toward the end of reducing the cost of hospital-medical expense.

12.2 Dental Insurance. HRA agrees to provide and pay for an employee dental plan (single coverage only). Subject to availability, through the City of Duluth dental insurance plan, employees may obtain coverage for family members at their own expense.

12.3 Long-Term Disability Insurance. Regular full-time employees are eligible to enroll in the long-term disability insurance program established by the contract between HRA and an insurance carrier. The HRA agrees to pay 50% of the cost of the Long-Term Disability Insurance Program for those employees enrolling in the program.

- A. Payroll Deduction. The difference between the monthly costs of the long-term disability insurance program and the HRA's contributions established by Section 12.3 of this Article shall be paid by enrolled employees through payroll deduction.

12.4 Voluntary Participation. Participation by any eligible regular employee in the insurance plan established by this Article is voluntary except for 12.8 (Life Insurance). Eligible regular employees who choose not to participate shall receive no additional compensation in lieu thereof, except for the additional compensation to employees who elect to take single hospital-medical insurance, in place of family coverage under 12.1E.

12.5 Claims against the HRA. The HRA and the UNION agree that any description of insurance benefits contained in this Article is intended to be informational only and the eligibility of any employee for benefits

shall be governed by the terms of the insurance policies contracted by the HRA and an insurance carrier pursuant to this Article. The HRA's only obligation is to contract for insurance policies and contribute such amounts as established by this Article. No claim shall be made against the HRA as a result of denial of insurance benefits or eligibility by an insurance carrier.

- 12.6 Duration of Insurance Contributions. Regular employees shall be eligible for HRA contributions as provided in this Article as long as the employee is in a payroll status of the HRA. Upon termination of employment, all HRA contributions shall cease, effective on the last working day of the month employed.
- 12.7 Retired Employees. All full-time employees of the HRA shall, upon retirement or early retirement, which is defined for the purposes of this Article as age 55, be entitled to hospital-medical insurance coverage in the same company covering active employees and such plan as may be available to active employees subject to the following conditions:
- A. Such employees who have completed ten (10) years of full-time service for the HRA at the time of retirement shall receive credit for seventy-five percent (75%) of their unused sick leave hours, multiplied by their enhanced hourly rate at the time of retirement or early retirement.
 - B. Such employees who have completed less than ten (10) years of full-time service for the HRA shall be credited with ten percent (10%) of seventy-five percent (75%) of their unused sick leave hours for each year of employment up to 10 years multiplied by their enhanced hourly rate at the time of retirement or early retirement.
 - C. The dollar figure arrived at in Paragraph A or B shall be contributed to the employee's account established under the Minnesota State Retirement System's Health Care Savings Plan (HCSP), to be used for any purpose permitted by the HCSP.
 - D. Removed – January 1, 2023
 - E. If the HRA pension plan redefines the age at which the person becomes eligible for early retirement, the parties shall meet and negotiate such age as defined in this contract.
- 12.8 Life Insurance. The Employer shall pay the full cost of group term life insurance for each eligible employee in the amount one and one-half (1 ½) times the employee's annual salary. An eligible person will become insured on the first of the month occurring on or after the completion of 6 months of service.
- 12.9 Pension Plan. All regular employees shall be included in the HRA Pension Plan. The pension plan shall be subject to the governing laws of the U.S.A. The pension plan which is presently in place shall continue in force during the life of this Agreement. The UNION shall have the right to designate two (2) regular employees to be placed on the HRA Pension Plan Committee.
- 12.10 Damage or Destruction of Caretaker's Vehicle – Premium Reimbursement. HRA will reimburse Resident Caretaker employees the difference between the premium for zero deductible and \$500.00 deductible comprehensive damage automobile insurance to protect such employees from damage to their automobiles while parked on HRA property. Such reimbursement shall occur upon the Resident Caretaker's presentation of proof of payment of the insurance premium and certification by an employee's insurance agent of such difference in premium no later than sixty (60) calendar days following the date on which the Resident Caretaker paid such premium.
- 12.11 Health Care Savings Plan. Effective July 1, 2005 eligible employees shall participate in an Employer-sponsored Health Care Savings Plan (HCSP). An employee becomes eligible on the first day of the month occurring on or after the completion of eight (8) years of service. Eligible employees shall contribute to

the HCSP one-half of one percent (0.5%) of their step hourly rate through bi-weekly payroll deduction. Employees who have completed sixteen (16) years of service shall contribute one percent (1%) of their step hourly rate through bi-weekly payroll deduction. Employees who have completed twenty (20) years of service shall contribute two percent (2%) of their step hourly rate through bi-weekly payroll deduction. The Employer shall not make contributions to the HCSP. Contributing employees and their contributions shall be subject to the rules and regulations governing the HCSP as determined by the Plan Administrator.

ARTICLE 13: LEAVE OF ABSENCE

- 13.1 Short-Term Leave without Pay. Regular employees may request a short-term leave of absence without pay, not to exceed thirty (30) calendar days. This request shall be in writing. A request for a short-term leave of absence without pay shall be subject to written approval or denial of the:
- Supervisor – if the request is for thirty or fewer hours cumulative in a calendar month;
 - Executive Director – if the request is for more than thirty hours cumulative in a calendar month.
- A. While on short-term approved leave of absence without pay, an employee shall be eligible for all benefits, established by this Agreement. Short-term leave without pay shall not be granted until all accumulated vacation and compensatory time have been taken. All remaining accrued sick leave will be suspended until return to active employment.
- B. At the expiration of a short-term leave of absence without pay, an employee shall be restored to the employee's former position.
- 13.2 Notification. Two weeks shall be considered reasonable notice of intent to extend leave or return to work, except in the case of a documented medical emergency or other unforeseen extraordinary circumstances. Employees failing to report for work or to request in writing a leave of absence without pay within three (3) working days from the exhaustion of accumulated sick leave and/or vacation and compensatory time shall be considered to have resigned from employment.
- 13.3 Medical Leave of Absence. Employees may qualify concurrently for medical leave under the provisions of this Article and under the Family and Medical Leave Act (29 CFR Sec. 825.312).
- A. Upon exhaustion of accumulated sick leave, an unpaid leave of absence for medically valid reasons for a non-job-related illness or injury to the employee, which prevents the employee from performing his/her job duties and responsibilities, shall be granted for a period not to exceed six (6) calendar months. Such medical leave of absence must be documented with medical evidence of the non-job-related illness or injury, which prevents the employee from performing job duties and responsibilities.
- B. Qualifying employees are eligible for leave benefits of up to twelve (12) weeks under the Family and Medical Leave Act of 1993, 29 USC 2601 et. seq., in connection with the birth, adoption, or foster placement of a child in the employee's household, a serious health condition of the employee, or the serious health condition of an employee's spouse, child, or parent. Eligibility for and calculation of such leave shall be governed by applicable Federal Law, including the Family and Medical Leave Act of 1993, 29 USC 2601 et. seq. and 29 CFR, Chapter 825.
- C. Employees on an approved medical leave of absence without pay may continue to participate in the hospital-medical insurance plan, the long-term disability insurance plan, and life insurance, but must pay 100% of the full monthly premiums. However, for any period of leave determined to be FMLA leave, the Employer shall continue to pay the Employer's share of employee's hospital-medical insurance.

- D. At the expiration of a medical leave of absence without pay, an employee shall be restored to the employee's former position and pay or a similar position with the same pay. The employee must furnish a written statement signed by a physician indicating that the employee is physically able to perform the job duties and responsibilities of the position.
 - E. Employees cannot be required to use accrued paid leave for FMLA leave.
- 13.4 Long-Term Leave without Pay. Regular employees may request in writing a long-term leave of absence without pay, not to exceed twelve (12) calendar months. A request for a long-term leave of absence without pay shall be subject to written approval or denial of the Executive Director.
- A. While on a long-term approved leave of absence without pay, an employee shall not be eligible for any benefits established by this Agreement, provided that employees may continue to participate in the hospital-medical insurance for a period not to exceed twelve (12) months but must pay 100% of the full monthly premiums. Long-term leave without pay shall not be granted until all accumulated vacation and compensatory time have been taken. All remaining accrued sick leave, pension, life insurance, and disability HRA contributions shall be suspended until return to active employment.
 - B. At the expiration of a long-term leave of absence without pay, an employee may be restored to the employee's former position or a similar position, provided there is a vacant position at the time the employee makes application for reinstatement.
- 13.5 Court Leave. Regular employees shall be authorized to be absent from duty with pay when summoned for Jury Duty or when served, other than being a litigant in the case, with a subpoena to appear before court. An employee choosing to be absent on a leave with pay status consents thereby to pay the HRA an amount equal to the fees the employee receives for court service, and on days when the employee is required to be in court, agrees to report for work during the parts of the day falling during the employee's regular work hours when his/her presence in court is not required. No employee shall be required to work, between jury duty and their HRA work, more hours in a 24-hour day than the length of the regular scheduled shift. If the court fees exceed the employee's salary-wage rate, the employee may retain the difference. All travel funds received during the court leave may be fully retained by the employee.
- 13.6 Administrative Leave. Administrative leave with pay may be taken for purposes of attendance at professional meetings or comparable activities provided that prior approval of the Executive Director is obtained. Such meetings must be related to the work of the HRA and are expected to contribute materially to the background and understanding of the HRA staff. Any travel expense incurred during such leave is to be paid by the HRA within the limits of Article 22 (Travel).
- 13.7 Military Leave. An employee who leaves a position to enter military service in time of war or by reason of being drafted, shall be carried on the rolls in a military leave status and upon honorable discharge from the military service shall be restored to the same position or to a position equally acceptable to the employee for which the employee is qualified. An employee who is an active member of a military or naval reserve unit shall be granted leave with pay for ten (10) normal work days to comply with the annual requirements for active duty training upon presentation to his/her supervisor of his/her written orders to report for duty.
- 13.8 Voting Time Leave. Employees who are eligible to vote in any state-wide general election may absent themselves from work for the purpose of voting during the forenoon of such Election Day provided that they have made prior arrangements for such absence with their immediate supervisor.
- 13.9 UNION Leave. As required by the Minnesota Public Employees Labor Relations Act, the Employer shall (subject to the approval of the supervisor, which approval shall not be unreasonably withheld) afford

reasonable time off to any employee who is an elected officer or appointed representative of the UNION, for purposes of conducting the duties of the UNION, and shall, upon an advance request, provide a leave of absence to any employee who is an elected or appointed official of the UNION or who is appointed to its staff. Any employee who is on leave of absence for the purpose of serving as an officer or representative of the UNION shall, upon the request of such employee, receive his/her regular pay from the Employer while on such leave; however, the Employer shall submit to the UNION an invoice for reimbursement of an amount based on such employee's gross hourly rate of pay for such leave, and the UNION shall then reimburse the Employer for such amount. The UNION shall defend the Employer against any claim for any injury, damage, or loss which arises out of and within the scope of such service, and shall indemnify the Employer for any such injury, damage, or loss, but such obligation to defend and indemnify the Employer shall not extend to the Employer's obligations to provide paid sick leave under Article 8 (Sick Leave) or to provide long-term disability protection under Article 12.2. No such employee shall receive leave of absence with pay pursuant to this paragraph in excess of a total of thirty (30) working days in any calendar year.

- 13.10 Filling Vacancies. If vacancies created by leaves of absence of more than six (6) months are to be filled, as determined by the Executive Director, they shall be filled in accordance with Section 15.3 of Article 15 (Seniority and Separation). On the return of the employee from leave of absence, the person appointed to fill that vacancy shall be returned to their former position without loss of seniority.

ARTICLE 14: RETIREMENT

- 14.1 Mandatory Retirement. This Section shall be subject to applicable State or Federal Law.

ARTICLE 15: SENIORITY AND SEPARATION

- 15.1 Definition: Seniority shall be defined as a regular employee's length of continuous accumulated service in this bargaining unit with the HRA. Part-time employees and full-time employees shall be listed on the same seniority list, with part-time employees accruing seniority based on the date of hire. A seniority list shall be posted on January 1 of each year and a copy sent to the UNION. Employees shall be placed on the list in accordance with their total continuous accumulated years, months, and days. Seniority shall continue to accrue during periods of paid or unpaid sick leave, workers' compensation, vacation, holidays, approved leaves of absence, and for a period of one (1) year while the employee is on layoff.

Employees who promote, transfer, demote, or are reassigned to a position with the HRA excluded from this bargaining unit shall not continue to accrue seniority within the bargaining unit, other than as stated in Article 5.2. If the employee later returns to a position within this bargaining unit, the employee shall receive all previously accumulated seniority in this bargaining unit.

Tie breaking of equal seniority rank shall be determined by a flip of a coin, effective the day of the flip without retroactive effect or liability to HRA. The employee whose last name starts with the letter closest to the letter "A" in the alphabet shall flip the coin; the other employee shall call the coin.

- 15.2 Probationary Period. Regular employees serving a probationary period, as established by Section 5.1 of Article 5 (Probationary Period), shall not acquire seniority until the completion of the probationary period. Following the completion of the probationary period, an employee's seniority shall revert to the date of employment. There shall be no probationary period for demotions or transfer.
- 15.3 Posting of Vacancies. Notice of all vacancies and newly created positions covered by this Agreement shall be posted on employee bulletin boards and employees covered by this Agreement shall be given ten (10) calendar days to make applications for such positions. The posting shall include the shift and work days of

the position to be filled. The most senior qualified employee making application shall be awarded the position. If no employee applies to fill a vacancy, the Executive Director can assign an employee to fill the vacancy subject to approval of the employee. If no employee is qualified or if no employee accepts the assignment, the Executive Director may seek a new employee to fill the vacancy. The decision of the Executive Director as to qualifications shall not be subject to the grievance procedure, but may be appealed to the HRA Board of Commissioners at their next regular scheduled meeting. The written notice of the appeal to the HRA Board shall be received by the HRA at least ten (10) working days prior to the Board's meeting or the appeal shall be heard at the following meeting. The decision of the HRA Board on this matter shall be final.

- 15.4 Short-Term Filling of Vacancies. Short-term vacancies shall be posted for ten (10) calendar days. The HRA may fill the vacancy during the ten (10) calendar days of posting with an employee or outside person. The HRA reserves the right to fill vacancies on a short-term basis, not to exceed ninety (90) calendar days, by offering the vacancy to qualified employees on a seniority basis. If no employee volunteers to fill the short-term vacancy, the HRA may assign an employee on a reverse seniority basis. Employees so assigned shall receive the pay for the position to which assigned, but not less than their pay before such assignment. Employees shall be returned to their former position and pay after filling a short-term vacancy.
- 15.5 Re-employment. A regular employee rehired following separation, for a reason established by this Article, shall be considered a new employee and shall serve a probationary period in accordance with Section 5.1 of Article 5 (Probationary Period).
- 15.6 Separation. Employees shall be considered separated from employment with the HRA based on the following actions:
- A. Resignation. Employees resigning from employment shall give written notice at least ten (10) working days, excluding approved vacation periods, prior to the effective day of resignation.
 - B. Retirement. As provided by Article 14 (Retirement).
 - C. Discharge. As provided by Article 17 (Discipline and Discharge).
 - D. Termination during the Probationary Period. As provided by Article 5 (Probationary Period).
 - E. Failure to Report for Work. As provided by Article 6 (Hours of Work).
 - F. Failure to Request Leave of Absence without Pay. As provided by Article 13 (Leave of Absence).

ARTICLE 16: LAYOFF

- 16.1 When it becomes necessary through lack of work or funds or for other causes for which an employee is not at fault to reduce the number of employees within this bargaining unit, the following procedure shall apply:

All temporary employees shall be laid off before full-time or part-time employees. If additional layoffs are required for employees, the Executive Director shall designate the job title and department in which such reduction shall occur. The least senior employee in such job title in that department shall be the first laid off. When an employee is laid off in such job title, he/she shall be permitted to exercise his/her seniority rights to bump-replace an employee with less seniority. Such employee may bump an employee in another job classification providing the bumping employee has greater seniority and qualifies for the position. The decision of the Executive Director as to qualifications shall not be subject to the grievance procedure, but may be appealed to the HRA Board of Commissioners whose decision shall be final. If found qualified by the Executive Director, such employee shall be placed in that position at the rate of pay for that position at

the step he/she was at in his/her former position or the rate of pay of the new position at Step A, whichever is higher.

- A. Layoff for the purposes of bumping shall be defined to include any reduction in hours.
- B. During any layoff, no temporary employee or intern shall be employed while any permanent employee under this bargaining unit is laid off.
- C. The employee and the UNION shall be notified fifteen (15) working days in advance of any contemplated layoff.

16.2 Recall. When it becomes necessary to recall employees from layoff, employees shall be recalled in reverse order of layoff, provided, however, that the employee is qualified and physically capable in the judgement of the Executive Director for the position available.

Employees recalled shall have ten (10) working days for the Executive Director to determine if he/she is qualified. If it is determined that the employee is not qualified, they shall be returned to their position on the recall list.

16.3 Loss of Recall Rights. Upon recall, if an employee refuses to accept an appointment offered to him/her, the Executive Director may remove his/her name from the re-employment list. An employee refusing to accept an appointment for a position in a lower class than the one from which he/she was originally laid off shall have his/her name removed from the re-employment list, and shall be deemed "separated from employment" under Article 15 (Seniority and Separation) of this Agreement.

16.4 End of Recall Rights. Recall rights shall cease two (2) years after an employee is laid off and thereupon such employee shall be deemed "separated from employment" under Article 15 (Seniority and Separation) of this Agreement.

16.5 Notice. Notices to employees of layoff or recall shall be in writing and sent by certified mail.

ARTICLE 17: DISCIPLINE AND DISCHARGE

17.1 Discipline and Discharge. For the purposes of this Article, disciplinary action shall include only the following:

- a. Written Reprimand
- b. Loss of One Hourly Rate Step
- c. Suspension
- d. Discharge

An oral reprimand shall not be deemed disciplinary action within the meaning of this Article. If a supervisor has reason to orally reprimand an employee, it shall be done in a manner that will not embarrass the employee before other employees or the public.

17.2 Discipline. Disciplinary action may be imposed upon an employee only for just cause. Any disciplinary action imposed upon an employee may be processed as a grievance through Article 18 (Grievance Procedure), as provided herein. An employee will not be questioned during an investigation that may lead to disciplinary action against the employee unless the employee has been given an opportunity to have a UNION representative present at such questioning.

- 17.3 Written Reprimand. If a supervisor desires to issue a written reprimand to an employee for a violation of a regulation or instruction of the HRA, or deficiencies in their work performance, the statement of the fact shall be placed in the employee's personnel file, with a copy to the employee.
- 17.4 When any disciplinary action is intended to be taken against an employee, the HRA shall, before or at the time such action is taken, notify the employee in writing of the specific reasons for such action.
- 17.5 Discharge of Regular Employees. The HRA shall not discharge any regular employee without just cause. If, in any case, the HRA feels there is just cause for discharge, the employee will be suspended for five (5) working days without pay and the employee and the UNION will be notified, in writing, that the employee is subject to discharge and shall be furnished with the reasons therefore. An employee who is deemed to have resigned because of more than three (3) consecutive days of unexcused and unapproved absences shall have the right to contest such fact by use of the grievance procedure under the terms of this contract.

ARTICLE 18: GRIEVANCE PROCEDURE

- 18.1 A grievance is defined as a dispute or disagreement as to the interpretation or application of any term or terms of this Agreement. Employees are encouraged to attempt to resolve the occurrence of any grievance on an informal basis with the employees' immediate supervisor at the earliest opportunity. If the matter is not resolved by informal discussion, it shall be settled in accordance with the following procedure:

STEP 1 The employee, with the UNION Steward, shall attempt to resolve a grievance with the employee's immediate supervisor within ten (10) working days after the employee should have had knowledge of the first occurrence of the event giving rise to the grievance. The supervisor shall then attempt to resolve the matter and shall respond to the employee and Steward within ten (10) working days.

STEP 2 If the grievance has not been resolved to the satisfaction of the UNION, within seven (7) working days of receiving the response at Step 1, it may be presented in writing by the UNION to the Executive Director. The written grievance shall state the nature of the grievance, the facts upon which it is based, the provision(s) of the Agreement allegedly violated, and the relief requested. The Executive Director shall arrange a meeting with the UNION to discuss the grievance within ten (10) working days. A written response shall be forwarded to the UNION within seven (7) working days after the meeting. The UNION Steward may also participate in such meeting.

STEP 3 If the grievance still remains unresolved, it shall be presented to the Board of Commissioners no later than their next meeting after the UNION demands that the Board of Commissioners hears the grievance. The UNION shall make such demand within seven (7) working days of receiving the response at Step 2, and the Board of Commissioners shall render their decision within ten (10) working days of such meeting. Nothing herein shall be construed to prohibit the Board of Commissioners from scheduling a Special Meeting to consider any such grievance.

If the Board of Commissioners schedules a Special Meeting to hear the grievance, the meeting shall be scheduled within seven (7) days of the UNION's request for such meeting.

STEP 4 If the grievance is still unresolved after response provided in Step 3 is due, the UNION may within ten (10) working days serve notice of intent to submit the issue to arbitration by giving written notice to the HRA. The arbitration proceeding shall be conducted by an arbitrator to be selected by mutual agreement of the HRA and the UNION within seven (7)

working days after the request for such action. If the parties fail to mutually agree upon an arbitrator within the said seven (7) working days, either party may request the Bureau of Mediation Services to provide a panel of five (5) arbitrators. Both the HRA and the UNION shall have the right to strike two (2) names from the panel. The party striking the first name shall be determined by lot. They shall then alternately strike one (1) name, and the process will be repeated and the remaining person shall be the arbitrator. Expenses for the arbitrator's services and the proceedings shall be assessed as follows:

- a. if the grievance is sustained and the arbitrator grants to the Union all of the relief requested, the HRA pays;
- b. if the grievance is denied, the UNION pays;
- c. if the grievance is sustained but the arbitrator does not grant to the UNION all of the relief requested, each party pays one-half;
- d. each party shall be responsible for compensating its own representatives and witnesses.

If either party cancels an arbitration hearing or asks for last-minute postponement that leads to the arbitrator making a charge, the canceling party or the party asking for the postponement shall pay this charge. The decision of the arbitrator shall be final and binding upon the parties and the arbitrator shall be requested to issue his/her decision within thirty (30) working days after the conclusion of testimony and argument. If either party desires a verbatim record of the arbitration proceeding, it may cause such a record to be made providing it pays for the record and makes a copy available without charge to the other party and the arbitrator.

18.2 Arbitrator's Authority. The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the provisions of this Agreement. The arbitrator shall consider and decide only the specific issue or issues submitted to him/her in writing by the parties to this Agreement, and shall have no authority to make a decision on any matter not so submitted to him/her. The arbitrator shall be without power to make decisions contrary to, inconsistent with, or modifying or varying in any way the application of laws, rules, or regulations having the force and effect of law. If the arbitrator determines that the grievance is an issue of law, the arbitrator shall refer the grievance back to the parties without decision or recommendation. The decision shall be based solely upon the arbitrator's interpretation and application of the expressed terms of this Agreement and to the facts of the grievance presented. In all things the arbitrator shall be bound by the provisions of Minnesota Law relating to arbitration.

18.3 Time Limits. If 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 or steps within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the HRA's last answer. If the HRA or its agents do not answer a grievance or an appeal thereof within the specified time limits, the UNION or its agents may elect to treat the grievance as denied at the step and immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual written agreement of the HRA or its agents and the UNION or its agents in each step and such extension will not be unduly withheld.

ARTICLE 19: NON-DISCRIMINATION

19.1 HRA and UNION Responsibility. The parties agree that their respective policies will not discriminate against any employee covered by this Agreement because of race, color, creed, religion, ancestry, national origin, sex, affectional preference, disability or other handicap, age, marital status, status with regard to public assistance, political affiliations or association or affiliation or non-association or non-affiliation with

a labor organization, nor will either party to this Agreement discriminate on the aforementioned basis in the application or interpretation of the provisions of this Agreement.

- 19.2 Jurisdiction. The parties recognize that jurisdiction for the enforcement of the provisions of this Article shall be the official HRA Affirmative Action Procedure and thereafter vested solely in various city, state, and federal agencies and the courts as provided for by U.S. and Minnesota Laws, and not the Grievance Procedure of this Agreement.

ARTICLE 20: CLOTHING ALLOWANCE

- 20.1 Clothing Allowance. All regular full-time maintenance employees shall be furnished once per year, subject to Section 20.2 herein, the following, subject to the conditions set forth:

Four (4) shirts

Four (4) pairs of regular uniform pants or three (3) pairs of Carharrt brand dark blue work pants

One (1) summer jacket each year for the first two years of employment and then one (1) every other year

One (1) winter jacket during each of the first two years of employment, and as needed as determined by the Property Manager each year thereafter

One (1) winter hat

The employer shall issue a reimbursement of up to \$150 in a 12-month period for the purchase of one (1) pair of OSHA-approved safety shoes, safety boots, or safety winter boots if documented with an original sales receipt.

- 20.2 Wearing of Clothing. All employees who are issued clothing under Article 20.1 are required to wear it while on duty.
- 20.3 Maintenance of Clothing. It shall be the responsibility of the employee to maintain such clothing in a neat and presentable manner at the employee's expense.
- 20.4 Additional Clothing. Upon approval of the employee's supervisor, the HRA will furnish one (1) replacement shirt and pair of pants each year.

ARTICLE 21: PERSONNEL FILES

- 21.1 Inspection of Files. Employees shall be allowed, upon request, to inspect their personnel files during normal working hours. There shall be only one official personnel file per employee, to be kept in the Personnel Office.
- 21.2 Copies Files. Performance Evaluations shall be made on each employee at least once a year. Each employee shall be furnished with a copy of all performance evaluations or disciplinary entries in the employee's personnel record and shall be permitted to respond thereto, but only as to matters of fact, not opinion. The contents of an employee's personnel records shall be disclosed to the employee's UNION representative upon the written request of the employee.

ARTICLE 22: TRAVEL

- 22.1 Travel Authorization. Employees may perform official travel upon authorization of the Executive Director or their supervisor.
- 22.2 Travel Expenses. Travel expenses, when authorized, for the purpose of attending a conference or meeting, participation in a training session, inspections, or any other HRA business shall be reimbursed for the expense thereof under the following terms, conditions, and limitations.

- A. Local Travel. Local Travel is defined as travel to a point of destination in Duluth or immediate suburbs.

Such travel expense, when made by privately owned automobile, will be reimbursed at the current mileage rate in effect during the month in which the travel is incurred, plus any incurred parking fees. Reimbursement for travel through the use of a personal car shall be at the Federal Mileage rate in effect at the time of travel. For all travel within the City, appropriate forms must be utilized for the reporting of mileage.

- B. Out of Town Travel.

1. Hotel/Motel Expense. Employees attending a conference, meeting, or training session conducted at a hotel or motel are expected to stay at that hotel or motel or its equivalent within the community of the meeting. Employees shall be paid for actual hotel/motel expenses incurred while in an official travel status. Receipts for lodging are required for reimbursement unless other substantiation of the expenditure is furnished and approved.
2. The reimbursement for the cost of meals for an employee out of town on HRA business shall be reimbursed the meal rates as established by the IRS at the location of the expense during that time period. Provided, however, that Superior, WI and the towns surrounding Duluth shall not be considered "out of town". In cases where meals are included in the registration fee for an out of town event, those meals may not be claimed separately for reimbursement.
3. Transportation. The method of travel used shall be determined on the basis of convenience and minimum expense to the HRA considering the time of the meeting or conference in relation to air travel schedules. When the use of a personal car is approved by the Executive Director, the total cost to the HRA shall not exceed the cost of air travel and the time paid shall not exceed the air travel time for the employee. Reimbursement rates for use of a personal car are set forth in a subsequent paragraph. Taxi or other similar transportation service charges should be stated separately and considered a part of transportation. Receipts for air, rail, and auto are required for reimbursement unless other substantiation of the expenditure is furnished and approved.
4. Mileage Allowance. Reimbursement for authorized travel through the use of a personal care shall be reimbursed at the current federal mileage rate in effect during the month in which the travel is incurred.

ARTICLE 23: STRIKES AND LOCKOUTS

- 23.1 No Strikes. In accordance with the provisions of Minnesota Statutes, Chapter 179A., the UNION, its officers or agents, or any of the employees covered by this Agreement, shall not cause, instigate, encourage, condone, engage in, or cooperate in any strike, work slowdown, mass resignation, mass absenteeism, the willful absence from one's position, the stoppage of work, or in the abstinence in whole or in part of the full, faithful, and proper performance of the duties of employment, regardless of the reason for so doing. In the event of any such unauthorized work action by any employees subject to this Agreement, the UNION

agrees that it, its officers, employees, and agents shall immediately make its best efforts to cause such employees to cease such conduct.

- 23.2 No Lockouts. The HRA will not lock out any employee during the term of this Agreement as a result of a labor dispute with the UNION. This shall include Resident Caretaker dwelling units.

ARTICLE 24: HOUSING

- 24.1 Condition of Employment. Employees who are required by the HRA to reside in an HRA-owned property as a condition of employment shall be required to execute a dwelling lease with the HRA for a period equal to and coterminous with their employment, which lease is made a part hereof as Appendix A-3.
- 24.2 Rental Amount. Designated employees shall be required to pay seventy dollars (\$70.00) per month rent for the dwelling unit and shall authorize collection of such rent through payroll deduction.
- 24.3 Terms and Termination. Such lease shall be terminated in accordance with the provisions of paragraph 6 of the lease, Appendix A-3. If an employee's employment be terminated under the provisions of Article 17 (Discipline and Discharge), the effective date of such termination shall be the date stated in the notice to the employee of his/her termination, unless such termination is appealed under Article 18 (Grievance Procedure). In that case, the effective date of such termination shall be determined by the provision of Article 18 (Grievance Procedure).

ARTICLE 25: WORKERS' COMPENSATION

- 25.1 Eligibility. Workers' Compensation shall be afforded to all employees.
- 25.2 Notification. To qualify for Workers' Compensation benefits, notification shall be filed within two (2) weeks of any injury.
- 25.3 Supplemental Benefits. The difference between the Workers' Compensation benefit for a normal work week and an employee's normal work week compensation shall be drawn from the employee's earned sick leave, compensatory time, and/or vacation, in the order established herein beginning with the first so-called waiting period. The amount deducted shall be the difference, rounded to the nearest one-half (½) hour. An employee may draw from earned sick leave, compensatory time, and/or vacation until exhausted, at which time the benefit shall cease and only the Workers' Compensation benefits will be received.
- 25.4 Normal Compensation. Under no circumstances will an employee, who elects the Workers' Compensation supplemental benefit, receive compensation which is in excess of the employee's normal work day or normal work week's compensation.

ARTICLE 26: DURATION

- 26.1 Duration. This Agreement shall become effective as of January 1, 2023, and shall remain in effect through December 31, 2025, and shall continue in effect from year to year thereafter unless changed or terminated in accordance with 26.2 of this Article.
- 26.2 Term and Reopening Negotiations. If either party desires to modify or amend the Agreement commencing on January 1, 2026, written notice shall be given at least ninety (90) days prior to January 1, 2026.
- 26.3 Effect. This Agreement constitutes the full and complete agreement between the HRA and the UNION representing the employees in the appropriate unit of this Agreement.

- 26.4 Finality. Any matters relating to the current contract term whether or not referred to in this Agreement, shall not be open for negotiation during the term of this Agreement, except by mutual agreement of the parties.
- 26.5 Severability. The provisions of this Agreement shall be severable, and if any provisions herein or the application of any such provisions under any circumstances are held invalid, it shall not affect any other provision of this Agreement or the application of any other provision herein and a substitute provision shall be renegotiable by the parties to replace the void clause.
- 26.6 Savings Clause. This Agreement is subject to the laws of the United States of America, the State of Minnesota, and all rules and regulations made pursuant thereto. In the event any provision of this Agreement shall be held contrary to such laws, rules, and regulations by a court of competent jurisdiction, whose final judgement no appeal has taken within the time provided, such provision shall be deemed void. All other provisions of the contract shall continue in full force and effect.
- 26.7 Americans with Disabilities Act. Both parties agree to comply with Federal and Minnesota State Laws in matters related to Americans with Disabilities Act.
- 26.8 Drug Testing. Both parties agree to comply with Federal and Minnesota State Laws in matters related to drug testing and to comply with the Drug and Alcohol Use and Testing Policy attached as Appendix B.

ARTICLE 27: P.E.O.P.L.E. CHECKOFF

The Employer shall deduct from the wages of any employee who is a member of the UNION a P.E.O.P.L.E. deduction as provided for in a written authorization. Such authorization must be executed by the employee and may be revoked by the employee at any time by giving written notice to both the Employer and the UNION. The Employer shall remit any deductions made pursuant to this provision promptly to the UNION together with an itemized statement showing the name of each employee from whose pay such deductions have been made and the amount deducted during the period covered by the remittance.

ARTICLE 28: CREDIT UNION DEDUCTIONS

The Employer shall deduct from the wages of any employee who is a member of the Northern Communities Credit Union deductions as provided for in a written authorization. Such written authorization must be executed by the employee and may be revoked by the employee at any time by giving written notice to both the Employer and the Northern Communities Credit Union. The Employer shall remit any deductions made pursuant to this provision to the Northern Communities Credit Union at the time of deduction.

[Signature page to follow]

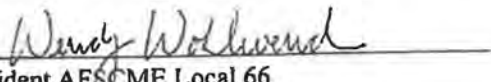
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed this 31st day of January, 2023.

**HOUSING & REDEVELOPMENT AUTHORITY
AUTHORITY OF DULUTH, MINNESOTA
(HRA)**

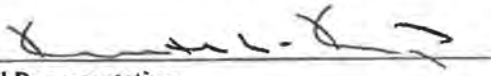
BY 
HRA Board Chairperson

BY 
HRA Executive Director

**AMERICAN FEDERATION OF STATE,
COUNTY & MUNICIPAL EMPLOYEES
(AFSCME) – LOCAL 66**

BY 
President AFSCME Local 66

BY 
Field Director AFSCME Council 5

BY 
Field Representative
AFSCME Council 5/Local 66

APPENDIX A-1

JOB CLASSIFICATIONS AND TITLES

<u>JOB CLASSIFICATION</u>	<u>TITLE</u>
1	ADMINISTRATIVE SUPPORT TECHNICIAN
2	APPLICATION TECHNICIAN MAINTENANCE TECHNICIAN TRAINEE RESIDENT CARETAKER
3	
4	ADMINISTRATIVE ASSISTANT
5	HOUSING TECHNICIAN MAINTENANCE TECHNICIAN
6	LEASING & OCCUPANCY COORDINATOR HOUSING COORDINATOR APPLICATIONS SPECIALIST MAINTENANCE RECORDS COORDINATOR
7	ACCOUNTANT I DRAFTSMAN DATA AND COMPUTER PROGRAM TECHNICIAN HOUSING REHABILITATION TECHNICIAN INVENTORY SPECIALIST MAINTENANCE MECHANIC
8	HOUSING INSPECTOR
9	REHABILITATION SPECIALIST I HOUSING SPECIALIST ACCOUNTANT II WORKING FOREMAN
10	FAMILY COUNSELOR RELOCATION COORDINATOR ASSISTANT HOUSING MANAGER FAMILY SELF-SUFFICIENCY COORDINATOR LEAD MECHANIC FSS AND HOUSING PROGRAMS SPECIALIST
10A	HOUSING SPECIALIST II
11	FINANCIAL ANALYST HOUSING REHABILITATION SPECIALIST II
12	HOUSING MANAGER REAL ESTATE OFFICER PROCUREMENT ADMINISTRATOR LOAN OFFICER
13	COMPUTER SYSTEMS MANAGER
14	
15	PROCUREMENT & CAPITAL IMPROVEMENT MANAGER

APPENDIX A-2

STEP HOURLY RATE SCHEDULE

Classification Effective January 1, 2023

	STEP A 0 to 1950 hours	STEP B 1950 to 3900 hours	STEP C 3900 to 5850 hours	STEP D 5850 to 7800 hours	STEP E More than 7800 hours
1	17.27	17.91	18.47	19.13	19.81
2	17.77	18.38	19.01	19.67	20.40
3	19.01	19.66	20.37	21.06	21.83
4	19.85	20.55	21.26	22.02	22.78
5	21.08	21.84	22.62	23.39	24.25
6	21.79	22.56	23.34	24.20	25.06
7	22.73	23.53	24.35	25.25	26.16
8	23.50	24.34	25.23	26.15	27.07
9	24.17	25.03	25.92	26.87	27.85
10	24.39	25.31	26.20	27.18	28.18
10A	24.83	25.71	26.62	27.58	28.62
11	26.29	27.21	28.25	29.28	30.35
12	26.94	27.89	28.90	29.96	31.08
13	28.69	29.75	30.81	31.95	33.12
15	34.63	36.00	37.61	39.12	40.86

Effective January 1, 2024, all hourly rates shall increase by an amount equal to the year-over-year increase in the cost of living as published by the Bureau of Labor Statistics (BLS) Table 4; CPI-U Midwest Size Class B/C; provided, however, the amount of the increase shall not be less than 2% nor more than 4%.

Effective January 1, 2025, all hourly rates shall increase by an amount equal to the year-over-year increase in the cost of living as published by the Bureau of Labor Statistics (BLS) Table 4; CPI-U Midwest Size Class B/C; provided, however, the amount of the increase shall not be less than 2% nor more than 4%.

HOUSING AND REDEVELOPMENT AUTHORITY
OF DULUTH, MINNESOTA DWELLING LEASE

RESIDENT CARETAKER

A. Specific Terms and Conditions of the Leasehold Interest

1. *Identity of Landlord.*
Housing and Redevelopment Authority of Duluth, Minnesota referred to in this lease as “Management” or “Landlord.”
2. *Identity of Tenant(s),*
Tenant is an adult employed by Managed for the position of Resident Caretaker, referred to in this lease as “Resident,” “You,” “Tenant,” “Tenants,” or “Tenant(s).”

Full Name — Resident Caretaker

Date of Birth

3. *Rental Premises Described.*
This Lease Agreement is for _____, Duluth, MN _____. Hereinafter “Rental Premises,” “Unit,” or “Dwelling Unit”, these terms shall be construed to include the entire demised premises subject to the leasehold interest under this Lease Agreement.
4. *Lease Term.*
The Lease begins on _____, and the initial term is one (1) month. After the initial term, the Lease Agreement will automatically be extended on a month-to-month basis with all then-existing lease terms continuing, unless otherwise amended.
5. *Value of the Rental Obligation*
The monthly rent amount is \$ _____. This amount is subject to renegotiations between Management and the UNION in accordance with the UNION contract term. Rent and charges are due and payable on the first day of the month, at the office of Management, 222 East Second Street, Duluth, Minnesota. If rent and charges are not paid by the fifth day of the month, a \$10 late charge will be assessed. If rent and charges are paid by a personal check and it is returned for insufficient funds, this will be considered non-payment of rent and charges and Resident will be charged the late fee and an additional charge of \$25 for processing costs. If two (2) personal checks are returned NSF, all future rental payments and other charges must be paid by money order. Resident may elect to have the rent payroll deducted and shall inform the Deputy Director/Human Resources of such request.
6. *Value of the Security Deposit*
Tenant(s) further agrees to pay a security deposit in the amount of \$ 100 to the Landlord. Within 21 days after Resident permanently moves from the Dwelling Unit, Management will return the deposit with interest at the rate provide by State law, less amounts to cover unpaid rent; repair of damages exceeding normal wear and tear, and other charges due under this Lease.
7. *Utilities.*
Management agrees to furnish the following utilities and services without cost to the tenant: heat, cooking fuel, electricity, hot water, water & sewer, cooking stove, refrigerator, garbage removal, telephone, except long distance phone calls, and laundry privileges, including laundry tokens for personal use by the Resident and members of the Resident’s family residing in the dwelling unit.

8. *Child Occupants (if any).*

Child Occupants are other persons—namely children—who live in the unit but are not adult parties to the Lease Agreement. Child Occupants are governed by rules set out for Occupants generally. Tenant(s) have an affirmative obligation to control the conduct and behavior of all Occupants. A violation of this Lease Agreement by an Occupant is attributable to all Tenants jointly and severally. Occupants who are minors must be added to the Lease Agreement as a Tenant upon reaching contractual capacity and the age of majority. Live-in-Aides are not considered to be Occupants under this Lease Agreement and are strictly governed by their individual Live-in-Aide Addendum. The Child Occupants under this Lease Agreement are:

_____	_____
Full Name	Date of Birth
_____	_____
Full Name	Date of Birth
_____	_____
Full Name	Date of Birth
_____	_____
Full Name	Date of Birth

9. *Non-Child Occupants (if any).*

Non-Child Occupants are all other persons who may live in the unit but are not the Resident. No such people or person is permitted to reside in the dwelling unit as a Non-Child Occupant without Management’s prior written consent. Management may condition such consent on the passage of a criminal background check or other screening policy applicable to other tenants of the building. Non-Child Occupants are governed by rules set out for all Occupants generally. Management expressly reserves the right to file an eviction action against an unapproved Non-Child Occupant that is within the Dwelling Unit, and that nothing under this Agreement shall be read to provide a right to occupy, reside, or otherwise live in the Dwelling Unit to such an unapproved Non-Child Occupant, and that Management may seek eviction and ejection of any such unapproved Non-Child Occupant at any time.

10. *Animals on Rental Premises (Check one).*

The Tenant(s) do not have any animals and understands animals may not be added or otherwise reside within the Rental Premises without prior approval from Landlord. Tenant agrees that obtaining an animal without prior approval is a material breach of this Lease Agreement.

[OR]

The Tenant(s) have an animal generally described by the following (name, breed, weight, etc.).

The Tenant(s) are required to pay a non-refundable animal fee in the amount of \$ N/A per animal for the above-listed. No additional animals may be added without prior approval from Landlord.

11. *Lease Agreement Conditioned on Continuing Employment.*

This Lease Agreement is conditioned on the continued employment of Resident by Management. In the event Resident terminates his employment with Management, this lease shall terminate as well. Resident must vacate the premises within thirty (30) days of the termination of his employment.

In the event Management terminates Resident's employment or lays the Resident off, termination of this lease shall be effected by written notice to the Resident of his termination of employment with management. Termination of this lease is understood by Resident in the event such notice is

given, and resident will be given no more than thirty days from any notice to surrender the unit. It is understood by Resident that his/her occupancy is an accommodation to him/her for the mutual benefit of the parties and the carrying out of this employment with management.

12. *Incorporated Lease Attachments and Copies.*

The Tenant certifies that they have received the following attachments and addendums: Animal Policy, Resident Information Handbook, Housekeeping Standards, Standard Maintenance Charges, Lead Paint Disclosure, Move-In-Move-Out Inspection, and Emergency Contact Form. By signing this Lease Agreement, Tenant(s) state that they have received a legible copy of all of the listed attachments and addendums and further agree to comply with the same as a term and condition of this Lease Agreement. Tenant(s) acknowledges that they may obtain copies of the Landlord's policies, procedures, and the current version of any document referenced in this Agreement from the Landlord's office.

Tenant agrees that the above-listed attachments and addendums may be updated, amended, or replaced by the Landlord from time to time. The updated, amended, or replaced document shall automatically take effect after thirty (30) days written notice to Tenant(s). Such an update, amendment, or replacement shall fully supplant the prior document and becomes fully incorporated by reference to this Lease Agreement as a binding requirement of this Lease Agreement.

B. General Terms and Conditions of the Leasehold Interest

1. *Parties to Agreement, and Others.*

As a group, the people listed as Tenants and Occupants (hereinafter including Child and approved Non-Child Occupants) comprise the "household." Only the people listed as Tenants and Occupants may live in the Dwelling Unit, and Tenant(s) must inform the Landlord of any changes of household composition in writing. Additions to the household must meet the Landlord's eligibility and screening requirements and require the advance written approval of the Landlord prior to moving into the household. This includes foster children but excludes births, adoptions, or court-awarded custody. Landlord will approve additions to the household only if they pass the applicable eligibility and screening requirements and an appropriate size dwelling unit is available. Deletions from the household must be reported to the Landlord in advance of the move-out (if possible) but in any event within fourteen (14) days. Tenant must inform Landlord concerning an addition to the household by birth, adoption, or court-awarded custody within fourteen (14) days.

Guests.

Guests are defined as any person not named in this Lease Agreement who enters into the bounds of the Rental Premises or its associated common areas with the explicit, implied, or tacit consent of a Tenant, Occupant, or other Guest. Tenants shall not provide shelter—even if it is temporary—to any Guests, including friends or family members. Guests must follow all Landlord rules, and all Tenants are responsible for the actions of any individual Guest, including any lease violations. If a Guest stays at the Rental Premises for more than fourteen (14) accumulative days in a single year, Landlord must be notified in writing. If the Guest will stay longer than fourteen (14) days, the Resident must seek permission to allow the Non-Child Occupant to reside in the dwelling unit.

2. *Use of Rental Premises.*

As set forth above in the Rental Premises Described provision, and under the terms and conditions listed in this Lease Agreement, Landlord rents to the Tenant and the Tenant rents from Landlord the Rental Premises with the following limitations on its use.

- A. *General Use.* Tenant(s) and Occupants have the right to the exclusive use and occupancy of the Dwelling Unit in accordance with this Lease. The Dwelling Unit shall not be used in violation of any applicable laws or ordinances nor so as to interfere with the quiet enjoyment of other persons in the community.
- B. *Rental Premises as Residence.* You must use your Dwelling Unit as a primary private dwelling for the exclusive use of the Tenants and the Occupants identified under this Lease Agreement, and you must not permit your Dwelling Unit to be used for any other purpose.

- C. **Business Use.** With the advance written permission of the Landlord, Tenant may incidentally use the Rental Premises for legally permissible income-producing purposes so long as the business does not result in increased traffic to or from the Dwelling Unit, does not negatively affect insurance coverage for the property, and does not infringe on the rights of other Tenants. All such business-related uses of the Rental Premises must meet all zoning requirements, and you must have the proper business licenses.
- D. **Prohibition on Subletting.** Tenant(s), whether individually or collectively, shall not assign this Lease Agreement or otherwise sublet all or any portion of the Dwelling Unit.

3. *Rent.*

Monthly rent is due in advance and without demand on or before the first day of each month without deduction or offset. Any other payments due for any reason whatsoever pursuant to this Lease Agreement or as an incident of this Landlord/Tenant relationship shall be due and payable with the next due rental payment after or such other time as may be specifically designated in this Lease Agreement, addendum, or in writing by Landlord. Failure to make payment of the monthly rent, other recurring charges, or any additional payment when due constitutes a serious and material breach of this Lease Agreement.

- A. **Where to Pay Rent.** Rent and other recurring charges. All are payable in full at either:

ALL U.S. MAIL:	HRA HAND-DELIVERY:	LANDLORD HAND-DELIVERY:
222 E. Second Street	222 E. Second Street	1502 E. First Street
P.O. Box 16900	Duluth, MN 55805	Duluth, Minnesota 55812
Duluth, MN 55816	Phone: 218-529-6300	Phone: 218-728-7542

Payment must be in the form of personal check, cashier's check, certified check, or money order. Cash or third-party checks will not be accepted unless there is an eviction proceeding and arrangements are made with Landlord.

- B. **Application of Payments.** You agree that the Landlord and its agents, in their sole discretion, have the exclusive right to apply any and all payments received from you or from others on your behalf to any of your outstanding charge(s), including, but not limited to: unpaid security deposits, maintenance, and repairs, back rent and current month's rent, in the order and manner the Landlord chooses. Landlord retains this right even if you or any third party directs how payment is to be applied.
- C. **Late/N.S.F. Fees.** If you do not pay your rent and all other charges by the fifth day of the month, and the Landlord has not agreed to accept payment at a later date, a 30 Day Notice to Pay or Vacate will be issued to you. In addition, you will have to pay a late fee in an amount as allowed by Minnesota Statutes, but not to exceed \$25 (twenty-five dollars). If the check used to pay your rent and/or other charges is returned for insufficient funds, it will be considered nonpayment and you will have to pay the late charge plus an additional charge of \$25 (twenty-five dollars) for processing costs. If two (2) checks are returned to the Landlord for insufficient funds within a one-year period, the Landlord will not accept checks as payment and you will have to make your future rent payments via money order.
- D. **Casualty Charges.** If Tenant is responsible for damages caused as the result of a fire, flood, frozen pipes, infestation, bio-hazard cleanup, police raid, etc. Tenant will be charged for the full amount of the damages up to the current deductible limit on the Landlord's insurance policy. If legal proceedings are required to recover these costs, Tenant will be charged with the actual cost of legal service and filing fees incurred in collecting the same.
- E. **Interruption of Use.** Tenant will not receive reduced rent or other compensation due to repairs or other interruptions to the use of their Dwelling Unit.

4. *Deposits by Tenant(s).*

- A. **Security Deposit.** The security deposit must be paid before Tenants and Occupants may occupy the Unit unless prior arrangements are made with Landlord. The security deposit is not prepaid rent, but is a good faith deposit for the Tenant's faithful fulfillment of each provision of this Lease Agreement and, as provided by state law, a contingency deposit

against damages to the Dwelling Unit or immediate area around the Dwelling Unit caused by a Tenant, Occupant, or Guest.

- B. Refund of Deposit. The security deposit (if any) will be returned to the Tenant after the end of the lease term or after abandonment if; (a) all obligations of Tenant have been performed, (b) the unit is not damaged and is left in its original condition, normal wear and tear excepted, (c) the full term of the Agreement has expired, (d) proper notice to vacate has been received (e) there are no unpaid legal charges, delinquent rent, N.S.F., or late charges, or other charges under this Lease and (f) all keys have been returned. Retention of said deposit shall not prevent Landlord from recovering additional damages and Tenant's responsibility to pay charges is not limited the amount of the Deposit. Upon vacating of the Rental Premises for termination of the Lease, the Landlord shall have twenty-one (21) days to return security deposit with interest at the rate provided by State law or such lesser amount with a statement describing why all or a portion of the Security Deposit, with accrued interest is not being returned. If Tenant disagrees with the amounts deducted, if any, the Landlord will meet with Tenant to discuss the charges.
- C. Interest on Deposit. Interest on deposits shall accrue at the required statutory rate. Interest on the security deposit will accrue beginning on the date it is paid in full and ending on the date Tenant vacates the Rental Premises.
- D. Transfer of Deposit. If Tenant moves to another dwelling unit, the deposits will be transferred to the new dwelling unit upon transfer. If there are costs attributable to the Tenant to bring the former dwelling unit into condition for re-renting, these costs will be charged to the Tenant.
- E. Animal Fee. If Tenant has requested and received approval to have an animal, the animal fee (if applicable) will be paid in full before Tenant moves the animal into the Dwelling Unit. The animal fee is non-refundable once paid and is not considered a deposit.

5. *Condition of the Rental Premises.*

By signing this Lease Tenant(s) acknowledges that they have forty-eight (48) hours to report any damages, defects, or items needing repair to Landlord; and Landlord reserves the right to repair any such noted damages, defects, or items needing repair in its sole discretion. After this reporting period, Tenant(s) acknowledge that the Dwelling Unit was inspected, is fully satisfactory, and accepts the Dwelling Unit in its "as is" condition, except as otherwise expressly agreed by Tenant and Landlord in writing. Tenant is responsible for maintaining the unit in a clean, safe and sanitary condition. Tenant must use plumbing fixtures and facilities, electrical systems, and other mechanical systems and appliances in the manner designed. Damages, changes to locks and/or keys lost or damaged by Tenant will be repaired and/or replaced by Landlord or Landlord's agent at Tenant's expense. Tenant is prohibited from adding, changing or in any way altering locks installed on the doors of the Dwelling Unit. Tenant acknowledges that any smoke detectors and/or security alarms are in working condition. Landlord will maintain heating equipment, although Tenant must pay for any repair required due to misuse or neglect. Any damages to the Dwelling Unit caused by Tenants, Occupants, or Guests will be repaired or replaced at Tenant's sole expense.

6. *Smoke Detectors.*

Tenant(s) acknowledges the absolute necessity of working and unaltered smoke detectors to preserve life and property within the Dwelling Unit. Tenant agrees not to at any time:

- A. Disengage any smoke detector in any way,
- B. Cover any smoke detector in any way,
- C. Disable any smoke detector in any way, or
- D. Otherwise, make any smoke detector inoperable.

Disengaging, covering, disabling, or otherwise rendering any smoke detector inoperable as described above will result in a \$50.00 fine to the Tenant. A second or subsequent violation of this smoke detectors provision that occurs within a twelve (12) month period of another violation of this smoke detectors provision is a material, serious, and repeated breach by all Tenants of this Lease Agreement and may result in the termination of this Lease Agreement by Landlord. Tenant(s)

further agree to test all smoke detectors in their unit on a monthly basis, and will immediately report to the Landlord any defective or damaged smoke detectors so they can be repaired or replaced.

7. *Alterations.*

Tenant may not make alterations or additions to the Rental Premises, nor install or maintain any fixtures, appliances, devices, or signs in the Dwelling Unit, without, in each case, prior written consent from Landlord. Specifically, Tenant agrees not to:

- A. dismantle, change, or remove any part of the appliances, fixtures, or equipment in your Dwelling Unit;
- B. paint or install wallpaper or contact paper in your Dwelling Unit;
- C. attach awnings or window guards in or to your Dwelling Unit;
- D. attach or place any improvements, fixtures, signs, or fences on the Rental Premise;
- E. attach any shelves, screen doors, or other permanent improvements to the Rental Premises;
- F. install or alter carpeting, resurface floors or alter woodwork;
- G. place any aerials, antennas, satellite dishes, or other electrical connections on your Dwelling Unit, except as allowed by law or regulation;
- H. mount or otherwise attach cameras or other recording equipment to the Rental Premises, including any structures;
- I. install additional or different locks, doors, or gates on the Rental Premises; and
- J. place any pool, trampoline, or other attractive nuisance on or around the Rental Premises.

Any alterations, additions, fixtures, or improvements made or installed after Tenant has received prior written consent from Landlord will remain a part of the Dwelling Unit, unless Landlord specifically agrees or directs otherwise. Landlord and Landlord's Agent shall not be obligated to reimburse Tenant for any such alterations, additions, and fixtures unless Landlord specifically agrees otherwise in writing. Alterations, additions, fixtures, or improvements which are made or installed without written consent from Landlord, may be repaired or removed at the expense of the Tenant. If Landlord approves Tenant's request to install additional or different locks, Tenant agrees to provide Landlord with at least one key to each such lock and, upon termination of tenancy, to provide all keys to such locks to Landlord.

8. *Maintenance, Repairs, Assessments, and Damages.*

A. Tenant(s) agrees to:

- i. Keep your Dwelling Unit and any other areas assigned for your exclusive use in a clean and safe condition;
- ii. Use all appliances, fixtures, and equipment in a safe manner and only for the purposes for which they are intended;
- iii. Not litter the grounds or common areas of the property;
- iv. Not undertake or permit a member of your household or Guests to undertake any hazardous acts or do anything that will damage the property;
- v. Not destroy, deface, damage or remove any part of your Dwelling Unit, common areas, or property grounds;
- vi. Give the Landlord prompt notice of any damage to the Dwelling Unit and defects in the plumbing, fixtures, appliances, heating equipment, or any other system or related facilities;
- vii. Cooperate with Landlord when Landlord is making repairs or engaging in preventive maintenance, including moving Tenant's personal belongings out of the way when workers come to do work;
- viii. Not park unregistered or inoperative vehicles at the Unit in an unauthorized location, or on public streets in violation of state law or local ordinance.
- ix. Remove garbage and other waste from your Dwelling Unit in a clean and safe manner and deposit the garbage and other waste in designated receptacles;
- x. Pay reasonable charges (1) for the repair of damage, other than normal wear and tear, to your Dwelling Unit, development buildings, facilities, or common areas, caused by you, a member of your household, or your Guests, and (2) for any maintenance-related call for any other reason, other than normal wear and tear, related to your occupancy of your Dwelling Unit. Payment shall be made

immediately after the receipt of the Landlord's statement of the repair charges, which appears on your monthly rent statement; and

- xi.* Pay any fees, fines, or surcharges issued by the City of Duluth, St. Louis County, or utility provider against the Tenant(s) or Occupants in relation to their use or occupancy of the Dwelling Unit; or to reimburse Landlord for any such fees, fines or surcharges Landlord pays on behalf of the Tenant(s) or Occupants.

B. Landlord agrees:

- i.* Maintain the Rental Premises and the property in decent and safe condition but does not assume liability for damage caused by the criminal acts of a third party;
- ii.* Comply with requirements of applicable building codes, laws, and regulations;
- iii.* Make necessary repairs to the Rental Premises in a reasonable period of time;
- iv.* Maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating systems and other facilities and appliances supplied or required to be supplied by the Landlord; and
- v.* Provide the Dwelling Unit with a stove and refrigerator unless these appliances are to be supplied by agreement of the parties.

C. Uninhabitable Dwelling Unit. If the Dwelling Unit is rendered uninhabitable, regardless of the reason, Tenant agrees to:

- i.* Tenant agrees to immediately notify the Landlord.
- ii.* The Landlord will be responsible for repair of your Dwelling Unit within a reasonable time. If you, a member of your household, or Guests caused the damage, the reasonable cost of the repairs will be charged to you.
- iii.* The Landlord will offer standard alternative accommodations, if available, when necessary repairs cannot be made within a reasonable time.
- iv.* The Landlord will make a provision for rent abatement in proportion to the seriousness of the damage and loss in value if repairs are not made within a reasonable time. No abatement of rent will occur if you reject the alternative accommodations or if you, a member of your household, or Guests caused the damage.

If the Dwelling Unit is made uninhabitable for more than fourteen (14) days by fire, flood, or electrical malfunction which is not the fault of the Tenant, Occupant, or Guest, then Tenant may terminate this Lease Agreement by giving written notice to Landlord. The Landlord shall not be liable for any injury or damage arising from any such incident or uninhabitability. If the Rental Premises is taken by or conveyed to a governmental authority in whole or in part, or is destroyed by any cause to such an extent as to make it uninhabitable, Landlord may, at its option, terminate this Agreement. Tenant hereby releases to Landlord all rights to any compensation paid by any governmental authority

9. Landlord Representations and Obligations.

Landlord strives to provide a community where Tenants can live comfortably and pursue their economic, social, and life goals in a vibrant community. Towards this end, Landlord agrees to:

- A.* Notify Tenant in writing of any proposed adverse action. "Adverse action" includes, but is not limited to, rent adjustments, a proposed Lease termination, or charges for maintenance and repair;
- B.* Allow Tenant reasonable access to Tenant's Tenant file applicable to the adverse action;
- C.* Reasonably satisfy Landlord's obligations outlined in the Lease; and
- D.* Cooperate with Tenants to resolve problems.

10. Tenant Representations and Obligations.

Tenant acknowledges that their success in the under this lease is directly related to Tenant's ability to meet individual and communal responsibilities. Towards this end, Tenant agrees to:

- A. Not permit any persons other than those listed on this Agreement and additions to your household because of birth, adoption, or court-awarded custody, to reside in your Dwelling Unit for more than fourteen (14) days in a calendar year without prior Landlord approval;
- B. Not permit any persons other than those named in this Lease Agreement and its addendums as a Tenants or Occupants to receive U.S. Mail at the address listed for this Dwelling Unit. U.S. Postal Service records that indicate that a non-tenant or non-occupant is receiving, or has received mail at the Dwelling Unit shall create a rebuttable presumption of a violation of this provision;
- C. Not to sublet or assign your Dwelling Unit, or any part of your Dwelling Unit;
- D. Not to engage in or permit unlawful activities anywhere within the Dwelling Unit, or any common areas associated with the Dwelling Unit;
- E. Not act or allow any Occupants or Guests to act in a manner that will disturb the rights or comfort of neighbors. In this regard, Tenant agrees not to make or permit noises or acts that will disturb the rights and comfort of neighbors and to keep the volume of any radio, stereo, television, or musical instrument at a level that will not disturb the neighbors at any time;
- F. Not to engage or permit any member of your household, a Guest, or another person under your control to engage in any activity that threatens the health, safety, or right to peaceful enjoyment of the Rental Premises by other Tenants or the Landlord's employees;
- G. Not engage or permit any member of your household, a Guest, or another person under your control to engage in any violent or drug-related criminal or illegal activity on or off the Rental Premises;
- H. Not to have animals of any kind in your Dwelling Unit without the prior approval of the Landlord in writing. Such written Agreement must be in the form of a lease amendment.
- I. Cooperate with Landlord's extermination and housekeeping programs and keep the Dwelling Unit, and entrances to the Dwelling Unit free from clutter or other unsafe, unsanitary, or undesirable conditions at all times;
- J. Prevent fires and report any fire that occurs to Landlord right away.
- K. Actively maintain existing landscaping, snow removal, and standards of cleanliness on and around the Rental Premises, as further described in the Resident Information Handbook and Housekeeping and Maintenance Guidelines;
- L. Act in good faith to cooperate with Landlord to solve disputes between the parties; and
- M. Abide by necessary and reasonable rules made by the Landlord for Rental Premises.

11. Background Checks.

The Landlord and its agents may conduct a background check of a Tenant or Occupant, if either the Landlord reasonably believes that the Tenant, their occupants, or Guests have violated the Lease Agreement by an illegal or criminal act. Furthermore, the Tenant(s) shall promptly execute any releases of information to the Landlord or HRA upon request to investigate a possible violation.

12. Handicapped Accessible Equipped Units.

If the Tenant is occupying a designated handicapped accessible/equipped unit but does not require the handicapped unit features, the Tenant acknowledges that priority for such units is given to those needing specially designed features. Tenant acknowledges that they are permitted to occupy the unit until Landlord issues a notice that an applicant requiring a handicapped accessible/equipped unit is on the waiting list and that the Tenant may be required to move to another suitable unit in the community to make reasonable accommodation for the applicant. Upon receiving a thirty (30) day notice, Tenant agrees to move at their own expense. Tenant acknowledges that the rental rate may change, when appropriate, to the rental rate for the unit being move into.

13. Reasonable Accommodations.

Tenant may request reasonable accommodation for a household member who has a disability if the disability prevents the household member from fully benefiting from Landlord's housing program and Landlord will work with Tenant to process such request. Reasonable accommodation requests may include, but are not limited to, physical modifications to the Rental Premises, modification of policies and procedures and service or companion animals. Reasonable accommodation requests are reviewed on a case-by-case basis as required by law. Landlord has a reasonable accommodation policy and a reasonable accommodation form that Tenant(s) can request at any time.

14. Security.

Tenant hereby agrees and acknowledges that Landlord does not provide and has no duty to provide any protective services to the Tenant or the Rental Premises. Tenant agrees and acknowledges that protection against criminal action is not within the power of the Landlord or its Agents. Gates, fences, locks and security guards that may be provided at the Rental Premises are primarily for the protection of the Landlord's property and are not a warranty of protection nor are they specifically provided for the protection of Tenant(s)' Occupants', or Guests' person or property. Even if, from time to time, Landlord provides protective services, Tenant cannot rely upon those services and they shall not constitute a waiver of, or in any manner modify, this Agreement. Landlord shall not be liable for failure to provide adequate protective services or for criminal or wrongful actions by others against Tenant(s) or Occupants, licensees, invitees or Guests.

15. Access by Landlord – Reasonable Purpose.

The Landlord will provide you with at least twenty-four (24) hours written advance notice of the Landlord's intent to enter your Dwelling Unit during reasonable business hours for a reasonable business purpose. The notice will specify the date, time, and purpose for the entry. Reasonable business purpose means at least the following purposes, but there could be others:

- A. Showing your Dwelling Unit to prospective residential tenants during the notice period before this Lease terminates or after you have given notice to move to the Landlord or the Landlord's agent;
- B. Showing your Dwelling Unit to a prospective buyer or to an insurance representative;
- C. Performing maintenance work, including extermination, or otherwise making improvements to the Dwelling Unit;
- D. Allowing inspections by state, county, or city officials charged in the enforcement of health, housing, building, fire prevention, or housing maintenance codes or by representatives of various housing programs applicable to the Rental Premises;
- E. You or members of your household are causing a disturbance within your Dwelling Unit;
- F. The Landlord has a reasonable belief that you or members of your household are violating this Lease within your Dwelling Unit;
- G. The Landlord has a reasonable belief that your Dwelling Unit is being occupied by an individual without a legal right to occupy it; or
- H. You have vacated your Dwelling Unit, or Landlord has reasonably concluded that you have abandoned your Dwelling Unit.

You must permit the Landlord, the Landlord's agents, or other persons when accompanied by the Landlord, to enter your Dwelling Unit for these purposes. In the event that you are absent from your Dwelling Unit at the time of entry, the Landlord will leave a notice stating the date, time, and name of the person entering your Dwelling Unit and the purpose of the visit.

16. Access by Landlord – Emergency.

The Landlord, Landlord’s agents, or Landlord’s invitees (including but not limited to: contractors, pest control, animal control, emergency medical services, and law enforcement) may enter your Dwelling Unit to inspect, repair, secure, or take other appropriate action without prior notice to you if the Landlord reasonably suspects that:

- A. Immediate entry is necessary to prevent injury to persons or property because of conditions relating to maintenance, building security, law enforcement activities, or natural disasters.
 - i. Including but not limited to:
 - (a). conditions relating to the arrest or hospitalization of the Tenant;
 - (b). conditions relating to abandonment of Dwelling Unit by a Tenant;
 - (c). conditions relating to the immediate need for animal or pest control;
 - (d). conditions relating to freezing or sweltering temperatures; or
 - (e). conditions relating to fire, flood, or other condition of inhabitability.
- B. Immediate entry is necessary to determine a residential Tenant or Occupant’s safety.
 - i. Including but not limited to:
 - (a). conditions relating to a suspected incapacity of a Tenant or occupant;
 - (b). conditions relating to a suspected crime occurring in the Dwelling Unit; or
 - (c). conditions relating to a suspected disappearance of a tenant.
- C. Immediate entry is necessary in order to comply with Federal law, State law, or local ordinances and orders.

You must permit the Landlord, the Landlord’s agents, or other persons when accompanied by the Landlord, to enter your Dwelling Unit for these purposes. In the event that you are absent from your Dwelling Unit at the time of entry, the Landlord will leave a notice stating the date, time, and name of the person entering your Dwelling Unit and the purpose of the visit.

17. Animal Policy.

Animals are permitted in the Dwelling Unit only with advance written permission of Landlord and then only in accordance with the Animal Policy. Tenant shall not feed stray or wild animals on or within a three-block radius the Rental Premises. Landlord hereby grants permission for Tenant to keep, in Tenant’s Dwelling Unit only approved animal(s) per the following conditions:

- A. Tenant hereby represents that the animal(s) has been properly licensed and inoculated if required by local law and Tenant agrees to maintain such licensing and inoculation of the animal and to furnish Landlord with evidence thereof promptly upon request;
- B. Tenant has hereby paid to Landlord a Non-refundable Animal Fee in the amount identified in the Specific Terms and Conditions of the Leasehold Interest
- C. Tenant will be responsible to see that animal does not at any time disturb any other Tenant(s) of the Landlord or residents of the surrounding community, or damage any property located in the Dwelling Unit, or the Dwelling Unit itself;
- D. Tenant agrees to all provisions of the Animal Policy and agrees that a violation of that policy is a violation of this Lease Agreement;
- E. Except for the animals described approved at move in or in a future written authorization, Tenant shall not keep any animals in the Dwelling Unit without Landlord’s prior written approval and payment of additional deposit.
- F. Tenant shall indemnify, defend and hold harmless Landlord and Landlord’s agents, and each of their respective officers, directors, employees, agents, representatives and shareholders, predecessors and successors, from and against any and all claims, demands, causes of action, damages, losses, liabilities, judgments, costs, fees and expenses (including, without limitation, reasonable costs and expenses of investigation and settlement and reasonable attorneys’ fees and expenses) (collectively, “Losses”), to the extent arising out of or relating to an animal of the Tenant; regardless of whether or not Landlord has approve of such animal. Such indemnification obligations shall survive the expiration or termination of this Lease Agreement for any reason.

18. *Lease Termination by the Landlord.*

Termination of this Lease Agreement by the Landlord must be carried out in accordance with state and federal law, and the terms of this Lease Agreement. The Landlord may terminate this Lease Agreement for serious or repeated violation of material terms of this Lease Agreement, including, but not limited to the following:

- A. Violation of any explicit terms of this Lease Agreement, including but not limited to:
 - i. its provisions on Smoke Detectors;
 - ii. its provisions on Alterations;
 - iii. its provisions on Maintenance, Repairs, Assessments, and Damages; or
 - iv. its provisions on Tenant Representations and Obligations.
- B. Nonpayment of rent or other charges due under this Lease, or repeated late payment of rent (repeated late payment of rent is defined to be five (5) or more days late in making full payment of all current charges and current promissory note payments for three (3) months within the most recent twelve-month period);
- C. Assignment or subleasing of the Rental Premises or providing accommodation for squatters, boarders, lodgers, or other unapproved inhabitants ;
- D. Use of the Rental Premises for purposes other than solely as a residence for you and your household as identified in this Lease, or permitting its use for any other purposes;
- E. Failure to abide by necessary and reasonable rules made by the Landlord;
- F. Failure to abide by applicable building and housing codes affecting health or safety;
- G. Failure to dispose of garbage, waste, and rubbish in a safe and sanitary manner;
- H. Failure to use electrical, plumbing, sanitary, heating, ventilating, air conditioning, and other equipment in a safe manner;
- I. Acts of destruction, defacement, or removal of any part of the Rental Premises, or failure to cause Occupants or Guests to refrain from such acts;
- J. Failure to pay reasonable charges (other than for normal wear and tear) for the repair of damages to the Rental Premises, project buildings, facilities, equipment, or common areas;
- K. Tenant(s), Occupants, Guests, or other person under your control engages in illegal or criminal activity, including drug-related criminal activity (determination of such illegal or criminal activity does not require an arrest or conviction);
- L. Contraband or a controlled substance is found or seized on the Rental Premises, incident to a lawful search or arrest, or by voluntary surrender by a Tenant, Occupant, or Guest.
- M. Illegal use of a controlled substance by a Tenant, Occupant, or Guest.
- N. Abuse of alcohol by a Tenant, Occupant, or Guests who interferes with the health, safety, or right to peaceful enjoyment of the Rental Premises or adjacent premises;
- O. Failure to permit the Landlord entrance to your Dwelling Unit as permitted under this lease;
- P. Failure to accept a change in this Lease as permitted under this lease;
- Q. Failure to accept a change to the attachments or addendums of this lease after proper notice;
- R. Creation or maintenance of a threat to the health or safety of other Tenants, Occupants, Guests, or the employees of Landlord or its agents;
- S. The Landlord's property is damaged as the result of a fire determined to be either arson or caused through negligence and such fire was caused by a Tenant, Occupant or a Guest; or conditions created by a Tenant, Occupant or a Guest.
- T. Serious or repeated interference with the rights of other Tenants or Occupants.
- U. Serious or repeated interference with the rights of adjacent landowners or their tenants.
- V. Unauthorized or improper alteration or repair of the Dwelling Unit;
- W. Violation of the Landlord's animal policy;
- X. The Landlord will take immediate action to evict any member of your household who is an individual who is subject to a registration requirement under a State sex offender registration program.
- Y. Other good cause, which expressly encompasses either:
 - i. repeated minor violations of the lease that:
 - (a). disrupts the livability of the Dwelling Unit or surrounding area;
 - (b). places the Dwelling Unit at an increased risk damage from any source;
 - (c). adversely affects the health or safety of any person;

- (d). deprives any Tenant, Occupant, adjacent land owner, or adjacent land user of the right of quiet enjoyment;
 - (e). interferes with the management of the Dwelling Unit; or
 - (f). has an adverse financial effect on the dwelling unit or surrounding area.
- ii. all other grounds that fall within “other good cause” under state and federal law.

19. Notice of Lease Termination.

- A. Timing. If the Landlord proposes to terminate this Lease, you will be given written notice of the proposed termination, as listed below:
- i. at least seven (7) days for the following:
 - (a). Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises of any person including Landlord or its Agents;
 - (b). Any violent or drug-related criminal activity on or off such premises; and
 - (c). Any criminal activity that resulted in felony conviction of a tenant or occupant.
 - ii. at least thirty (30) days for the following:
 - (a). for failure to pay rent and/or charges; and
 - (b). for all other cases, unless State and Federal law permits a shorter period.
- B. Content of Notices. The Notice of Lease Termination will:
- i. specify the date this Lease Agreement will be terminated; and
 - ii. state the grounds for termination with enough detail for you to prepare a defense.

20. Termination of Lease upon Death or Incapacity of the Tenant.

- A. Death of a Tenant. Upon the Tenant’s death, either the Landlord or the personal representative of the estate may terminate this Lease upon thirty (30) days written notice. Even if this Lease is terminated under this Section, the estate must pay rent or other amounts owed prior to or during the notice period and must also pay the amount necessary to restore the Unit to their condition at the beginning of the lease, normal wear and tear excepted.
- B. Incapacity of the Tenant. If during the term of this Lease you or a member of your household are no longer able to comply with the material provisions of this Lease, because of a physical or mental impairment, and the Landlord cannot make a reasonable accommodation to enable the impaired Tenant to comply with the terms of this Lease; the Landlord or Tenant may terminate this lease for good cause. This Lease will terminate upon the impaired Tenant or occupant moving from the Dwelling Unit, but in no instance shall this Lease continue beyond one hundred and eighty (180) days after such an incapacity occurs or is otherwise discovered by Landlord.

21. Abandonment of Property, Personal and Real.

- A. Real Property. The Landlord will consider your Dwelling Unit to be abandoned when Tenant(s) have clearly indicated by words and actions an intention not to continue living in the Dwelling Unit, including but not limited to: falling behind on rent, a lack of lawn care or snow removal, uncollected mail, a failure to reside at the Dwelling Unit, signing a notice to vacate, and other like acts. Landlord will issue a notice of abandonment to Tenant(s), which shall provide Tenant(s) a window of time to dispute the perceived abandonment. If no such dispute is made, Landlord is privileged to secure possession of the real property, and this Lease Agreement shall be terminated. Likewise, if no such dispute is made, any applicable statutory holding period for abandoned personal property shall relate back to either the date the notice of abandonment was issued to Tenant(s) or the date possession of the real property was actually established, whatever occurs first.
- B. Personal Property. If you have abandoned your Dwelling Unit, the Landlord may enter the Dwelling Unit and secure the premises. The Landlord may further store or remove any abandoned personal property. The property will be kept for the applicable statutory period. The Landlord retains all claims or liens against Tenant(s) for reasonable costs and expenses incurred in removing, storing, securing, or caring for the property.

- i. Once the statutory storage period has expired, Landlord may engage in a statutory sale of the property, destroy, dispose of, or otherwise retain such personal property in any commercially reasonable manner it chooses.

22. DELIVERY OF NOTICES.

- A. Notice by the Landlord. Any notice from the Landlord must be in writing and either personally delivered to you at your Dwelling Unit, or sent to you by U.S. mail, properly addressed, and postage prepaid. If you are visually impaired, and Landlord is aware of such an impairment, notices will be provided in an accessible format.
- B. Notice by the Tenant. Any notice to the Landlord must be in writing, and either personally delivered to the Landlord at the Landlord's office or sent to Landlord by U.S. mail, postage prepaid, and addressed to:

U.S. Mail: **222 E. Second Street**
 P.O. Box 16900
 Duluth, MN 55816

Hand Delivery: **1502 E. First Street**
 Duluth, Minnesota 55812
 Phone: 218-728-7542

23. *Change In Lease.*

The Landlord may change the provisions of this Lease Agreement. The Landlord will provide you with at least thirty (30) days advance written notice before the change becomes effective. The Landlord's notice will:

- A. advise you of the proposed change to this Lease Agreement; and
- B. be forwarded to HRA staff for review and approval.

You may accept the changed provisions by signing the new lease or addendum and returning it to the Landlord, or you may reject the changed provisions by giving the Landlord written notice of intent to terminate your tenancy per the provisions of this Lease Agreement. If you do not accept the lease amendment or amended lease, the Landlord may terminate this Lease Agreement.

24. *Indemnification.*

Tenant releases Landlord and Landlord's Agent from liability for and agrees to indemnify Landlord against losses incurred by Landlord and Landlord's Agent as a result of:

- A. Tenant's failure to comply with this Lease Agreement;
- B. any damage or injury happening in or about the Dwelling Unit to Tenant, Occupant, licensees, invitees, or Guests, or any such persons' property;
- C. damage or loss in or about the Dwelling Unit caused by Tenant, Occupant, or Guests;
- D. Tenant's failure to comply with any requirement imposed by any government authority; or
- E. any claim, suit, judgment, lien, or other encumbrance filed against Landlord or Landlord's Agent as a result of the Tenants', Occupants', or Guests' actions.

25. *Cumulative Rights.*

Each and every one of the rights and remedies of Landlord are cumulative, and the exercise of any right of remedy does not waive its other rights under this Lease or the law. The failure to exercise any right or remedy under this lease or law shall not be a waiver thereof, but may be exercised later.

26. *Subordination.*

Tenant's rights under this Agreement shall at all times be junior and subordinate to any mortgage, deed to secure debt or other instrument which is now or is later placed on the Rental Premises of which the Dwelling Unit is part to secure a debt, and if requested, Tenant shall execute promptly any certificate that Landlord may request to specifically implement any subordination requested.

27. *Severability.*

If any provision of this Agreement is invalid or unenforceable under applicable law, such provision shall be ineffective to the extent of such invalidity or unenforceability only, without invalidating or otherwise affecting the remainder of this Agreement.

28. *Non-Waiver.*

Failure of Landlord to insist upon strict compliance with the terms of this Agreement shall not be construed as a waiver or relinquishment of future compliance therewith.

29. *Headings and Capitalized Terms.*

The headings and capitalization contained in this Lease Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Lease Agreement.

30. *Entire Agreement.*

This Lease Agreement, its attachments, and documents incorporated by reference constitutes the entire Agreement between the parties unless a written Addendum signed by both Landlord and Tenant is attached. No representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein or on attachments hereto shall be of any force or effect.

31. *Choice of Law.*

This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota without regard to applicable principles of conflicts of law. Each of the parties hereto irrevocably consents to the exclusive jurisdiction of the Minnesota Sixth Judicial District, in connection with any matter based upon or arising out of this Lease Agreement.

32. *Execution of Lease.*

By signing this Lease Agreement, Tenant(s) acknowledges that they have received a legible copy of this Lease Agreement, its attachments and incorporated documents, and affirmatively state that they understand and agree to all of the terms and conditions as set forth above. Tenant(s) also declares that they have been given the full opportunity to review the same and seek independent legal advice regarding this Lease Agreement its attachments, incorporated documents, and all of their associated obligations. Further, Tenant(s) confess that all questions have been addressed and answered to their satisfaction. The Tenant(s) hereby acknowledges that they are entering into this Lease Agreement freely and voluntarily of their own accord without any duress or undue influence whatsoever. By their signature below, Tenant(s) intentionally and knowingly to enter into this legal and binding contract with Landlord.

IN WITNESS WHEREOF, The Parties executed this lease this ____ day of _____, 20__, in Duluth, Minnesota.

FAILURE TO COMPLY WITH ANY TERMS OF THIS LEASE CAN BE CAUSE FOR EVICTION AND TERMINATION OF THE EMPLOYMENT POSITION.

BY _____
Resident

BY _____
Management