

MEMORANDUM OF AGREEMENT

COVID-19 Amendments to 2019-2020 CBA

Between City of Duluth and AFSCME Minnesota Council 5, Local 66 for the City of Duluth Basic Unit

Parties to this Memorandum of Agreement (“Agreement”) are the City of Duluth (“Employer”) and AFSCME Minnesota Council 5, Local 66 for the City of Duluth Basic Unit (“Union”):

The parties acknowledge the following:

1. The Employer and Union are currently parties to a 2019-2020 collective bargaining agreement (CBA).
2. Novel Coronavirus Disease 2019, commonly known as COVID-19, a respiratory disease-that can result in serious illness or death, is caused by the SARS-CoV-2 virus, which is a new strain of coronavirus that had not been previously identified in humans and can easily spread from person to person; and
3. The Center for Disease Control has identified the potential public health threat posed by COVID-19, and has advised that person-to-person spread of COVID-19 will continue to occur; and
4. On January 31, 2020, the United States Department of Health and Human Services Secretary Alex Azar declared a public health emergency for COVID-19, beginning on January 27; 2020; and
5. On March 13, 2020 President Donald Trump declared that the COVID-19 outbreak in the United States constitutes a National Emergency; and
6. On March 13, 2020, Governor Tim Walz declared a Peacetime State of Emergency to authorize any and all necessary resources to be used in support of the COVID-19 response; and
7. On March 16, 2020, Mayor Emily Larson declared a local emergency exists within Duluth pursuant to Minnesota Statutes 12.29 and 12.37.

8. On March 19, 2020, the Duluth City Council confirmed Mayor Emily Larson's declaration of local emergency.
9. Due to COVID-19, the Employer's year 2020 and 2021 revenues are estimated to fall by approximately 25 percent or more.
10. In April of 2020, the Employer laid off approximately 50 temporary, seasonal, and/or part time employees.
11. In May of 2020, the Employer temporarily laid off approximately 50 Union employees.
12. Due to COVID-19 impacts on the Employer's budget, the Employer and Union wish to modify the current CBA in order to avoid layoff of Union employees.

THEREFORE, in exchange and consideration of the parties' mutual promises to each other, the Employer and the Union agree as follows:

1. This Agreement is deemed effective upon Employer and Union ratification and shall remain in effect through December 31, 2021.
2. This Agreement modifies the current 2019-2020 CBA as follows
 - A. **Pay.** Effective January 1, 2021, Monthly Pay shall not be increased through December 31, 2021.
 - B. **Pay Progression.** Effective upon Agreement ratification through December 31, 2021, Employees shall remain at the same Step and same Pay Range as they were compensated on the day before Agreement ratification. At the completion of the 2021 year, employees will then be credited all time back towards their pay progression and new rate of pay.
 - C. **Longevity.** Effective upon Agreement ratification through December 31, 2021, Employees shall remain at the same longevity award as they were compensated on the day before Agreement ratification. At the completion of the 2021 year, employees will then be credited all time back towards their longevity award and new rate of pay.
 - D. **Unpaid Leave in 2020.** Employees shall take six (6) work days off without pay by December 31, 2020. Employees on layoff who return to work in 2020 do not have to take these six (6) unpaid days. Of these six (6) days, Employees will take July 6 (Monday after Independence Day), September 4 (Friday before Labor Day), November 25 (Wednesday before Thanksgiving Day), and December 31, 2020 (New Year's Eve) off without

pay as well as two (2) additional work days mutually agreed upon by the Employer and Employee. Employees may not use more than one (1) unpaid work day per work week. Applicable Employees will remain on Standby Duty and are eligible for Call Back for working on said unpaid days. Said unpaid days shall be treated as a Holiday for purposes of Employees on Standby Duty or employees voluntarily returning to work for Call Back.

E. **Unpaid Leave in 2021.** Employees shall take twelve (12) work days off without pay by December 31, 2021. Of these twelve (12) days, Employees will take January 15 (Friday before Martin Luther King Jr. Day), February 12 (Friday before President's Day), May 28 (Friday before Memorial Day), July 2 (Friday before Independence Day), September 3 (Friday before Labor Day), November 12 (Friday after Veteran's Day), November 24 (Wednesday before Thanksgiving Day), December 30 (Thursday before New Year Eve) as well as four (4) additional unpaid days mutually agreed upon by the Employer and Employee. Employees may not use more than one (1) unpaid work day per work week. Applicable Employees will remain on Standby Duty and are eligible for Call Back for working on said unpaid days. Said unpaid days shall be treated as a Holiday for purposes of Employees on Standby Duty or employees voluntarily returning to work for Call Back.

F. **Retirement Incentive.**

i. Through December 31, 2020, Employees will be allowed to utilize paid leave until their date of retirement ("vacation out") through the Public Employees Retirement Association (PERA). All CBA benefits will remain during their paid leave ("vacation out"). Employees must be eligible for retirement through the Public Employees Retirement Association (PERA) by the end of their paid leave. Employee must irrevocably agree to resign at the end of the paid leave period before beginning the paid leave.

ii. Through December 31, 2020, The Employer will compensate Employees eligible for retirement through PERA who resign a one-time lump sum payment of 10% of the Employee's Basic Annual Pay, including Longevity or an equal contribution to the employee's Health Care Savings Plan (HCSP) account.

G. **Retirement for Employees in Layoff.** Employees in layoff status during 2020 or 2021 who wish, and qualify, for retirement through Public Employees Retirement Association (PERA) shall be permitted to return to work for one (1) day if required by PERA to qualify for PERA retirement. The Employer will work one-on-one with these Employees to facilitate their PERA retirement.

- H. **Probationary Employees.** Laid-off probationary employees listed on the "rehire list" pursuant to the CBA and/or Duluth Civil Service Code shall remain on the "rehire list" until the end of the day on December 31, 2021. If rehired, said probationary employees shall continue their probationary period from where they left off.
3. The Employer and Union agree that this Agreement does not preclude the parties from full, good-faith negotiations for a 2021 collective bargaining agreement (CBA). The terms and/or topics of this Agreement are subject to further collective bargaining in 2021 or successor years.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement
this _____ day of _____
2020.

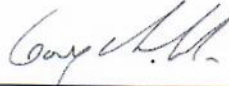
CITY OF DULUTH

AFSCME Minnesota Council 5

By

Mayor


By


~~President~~
Field Representative

Attest:

City Clerk

By


~~Secretary~~
Bargaining Unit Chair

By

Chief Administrative Officer

Countersigned:

City Auditor

Approved as to form:

City Attorney