

MEMORANDUM OF AGREEMENT

COVID-19 Amendments to 2018-2020 CBA

Between City of Duluth and City of Duluth Supervisory Association (CDSA)

Parties to this Memorandum of Agreement (“Agreement”) are the City of Duluth (“Employer”) and City of Duluth Supervisory Association (“Union”):

The parties acknowledge the following:

1. The Employer and Union are currently parties to a 2018-2020 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 AFSCME 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 2018-2020 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. 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. Employees will not perform work on these unpaid days. Employees required to work on scheduled unpaid days due to operational needs shall take alternative unpaid days mutually agreed upon by the Employer and Employee.
 - 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. Employees will not perform work on these unpaid days. Employees required to work on scheduled unpaid days due to operational needs shall take alternative unpaid days mutually agreed upon by the Employer and Employee.

F. **Retirement Incentive.**

- i. Through December 31, 2021, 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 retire at the end of the paid leave period before beginning the paid leave.
 - ii. Through December 31, 2021, The Employer will compensate Employees eligible for retirement through PERA who retire 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.
3. The Employer and the Union agree that the 2018-2020 collective bargaining agreement, as modified by this Memorandum of Agreement, shall remain in full force and effect through the 31st day of December, 2021. The Employer and the Union further agree that the terms of this Agreement shall be reopened for the purpose of reducing or eliminating the concessions contained herein and negotiating improvements for 2021 in the event that the Employer receives any State or Federal funding directly or indirectly related to COVID-19 that can be used to fund employee wages and/or is otherwise unrestricted. In the event that the parties fail to reach agreement under this reopener provision after substantial, good faith bargaining, the terms and conditions of employment that are unresolved shall be submitted to interest arbitration under Minnesota Statute Section 179A.16.

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

City of Duluth

City of Duluth Supervisory Association

By _____
Mayor

By _____
President

Attest: _____
City Clerk

By _____
Secretary

By_____

Chief Administrative Officer

Countersigned:

City Auditor

Approved as to form:

City Attorney