AGREEMENT

between

CERENITY

Cerenity Care Center on Humboldt
Cerenity Residence on Humboldt

and

INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL NO. 70, AFL-CIO

October 1, 2018 through September 30, 2020
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AGREEMENT

THIS AGREEMENT is made and entered into by and between Cerenity Carc Center on Humboldt, Cerenity Residence-on Humboldt, hereinafter referred to as the Employer and the International Union of Operating Engineers, Local No. 70, AFL-CIO, White Bear Lake, Minnesota, hereinafter referred to as the Union.

WITNESSETH, that in consideration of the mutual agreements, covenants and promises herein set forth, the parties hereto mutually agree and contract with each other as follows:

ARTICLE 1 – RECOGNITION UNION SECURITY CLAUSE

Section 1. All persons now employed or hereinafter employed by the Employer thirty-one (31) days from the date of their employment, and coming under the jurisdiction of this Agreement shall become and remain members in good standing of the International Union of Operating Engineers, Local No. 70, AFL-CIO or alternately shall pay the portion of the initiation fees, dues, and assessments that are uniformly applied to all members covered by this Agreement that relate to the Union’s representation function.

Section 2. If any employee does not remain "in good standing" as defined above or alternately does not pay the portion of the initiation fees, dues, and assessments that relate to the Union’s representation function, the Employer shall terminate the employee within twenty-four (24) hours of written notice to do so from the Union or as soon as a replacement can be obtained, but not to exceed two (2) weeks. The Union shall hold the Employer harmless from any claim of an employee so terminated.

Section 3. Within twenty-four (24) hours after an employee covered by this Agreement has been hired, the Employer shall mail to the Union written notice thereof, stating the employee’s name, address, work classification, and date of hiring.

Section 4. The Employer agrees to deduct the standard initiation fee and monthly Union dues from the wages of employees covered by this Agreement who are Union members. Such deductions shall be made only for employees
who voluntarily provide the Employer with a written authorization agreeing that such deductions may be made. The authorization shall not be irrevocable for a period of more than one (1) year or beyond the termination date of this Agreement, whichever occurs sooner. Deductions shall be made by the Employer during the first pay period of each calendar month and transmitted to the Union together with a list of the names of the employees and the deductions made. The Union agrees to refund promptly any dues found to have been improperly deducted and transmitted to the Union. If a dispute occurs between the Union and an employee over these deductions, the Union will hold the Employer harmless for the payments made and will handle the dispute without cost to the Employer.

ARTICLE 2 – JURISDICTION

Section 1. During the life of this contract, the Employer shall employ or continue in its employment only such individuals as come within the job classifications covered by this contract on all work in connection with the operation or maintenance of steam boilers, engines or all types and classes irrespective of motive power, electric motors, dynamos, refrigerating machinery, air conditioning and heating equipment, mechanical maintenance and all other equipment and appurtenances covered by the Union’s jurisdiction.

Section 2. Engineers shall keep the equipment under their charge in good running order at all times except for those repairs that could not be properly expected of an engineer.

Section 3. Engineers shall not be called upon to do work outside of their normal duties and jurisdiction except in case of emergency.

Section 4. Management will provide safe working conditions and necessary safety equipment conducive to safe working conditions for the general welfare of the employees.

Section 5. Except as specifically limited by the express provisions of this Agreement, the management of the Care Centers/Residence, including but not
limited to the right to determine the quality and quantity of work performed; to determine the number of employees to be employed; to assign and delegate work; to schedule work and determine the number of hours to be worked; for just cause, require observance of Care Center/Residence rules and regulations, direct the work force, and to determine the materials, means, and types of service provided, shall be deemed the sole and exclusive functions of management.

ARTICLE 3 – PROBATIONARY PERIOD

Employees shall be on probationary status for the first 120 days of employment, during which time they may be discharged with or without cause and without recourse to the grievance procedure.

ARTICLE 4 – WAGES

Section 1. The minimum rate of wages shall be:

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<tr>
<th></th>
<th>October 1, 2018</th>
<th>October 1, 2019</th>
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<tr>
<td>Operating Engineer</td>
<td>$19.95</td>
<td>$19.95</td>
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<tr>
<td>Maintenance Technician</td>
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<td>$14.90</td>
</tr>
<tr>
<td>Maintenance Utility Mechanic</td>
<td>$13.65</td>
<td>$13.65</td>
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The Employer shall not be required to pay or implement any wage or fringe benefit increases required by this Agreement if the Employer does not receive a rate increase that is at least as great as the percentage proposed in the wage scale and fringe benefits increase. In the event the State compensation surpasses the negotiated increase the Employer shall adjust the increase accordingly.

Section 2. Effective 10/1/2016, a shift differential of fifty cents ($0.50) shall be paid for all hours worked if four or more hours are worked after 3:00 PM or before 7:00 AM.

Section 3. A lead person may be selected at the discretion of the Employer.
Section 4. Employee’s assigned on-call status shall receive one hundred and twenty dollars ($120.00) per week.

Section 5. Any employee covered by this Agreement who, having completed his regular scheduled shift, shall receive not less than four (4) hours at one and one-half (1 1/2) times the regular hourly rate if called back to work. Employees who are called in will be required to complete the call in log as directed.

Section 6. Any employee who is called on their off hours for the purpose of phone consultation or direction, shall be paid sixty (60) minutes at the applicable rate of pay. If the employee is required to come into work to resolve the issue, the employee shall receive the four (4) hour call back pay as set forth in Article VI, Section 3, and the sixty (60) minutes in Section shall not apply. Employees who are called in will be required to complete the call in log as directed.

Section 7. The Steward shall be allowed time for negotiations and be compensated by the Employer at his / her regular rate of pay on an alternating basis.

**ARTICLE 5 – HOLIDAYS**

Section 1. Paid holidays are defined as follows:


Section 2. Employees required to work on a designated holiday shall receive at their option another day off in lieu thereof (within 30 days of the actual holiday unless a different time is mutually agreed upon between the employee and Employer) or be paid at the rate of double time for work performed on such days. Employees required to work on a designated holiday shall be compensated at double time and for a minimum of three hours.
Section 3. When a holiday falls on a Saturday, it will be celebrated on the previous Friday. When a holiday falls on a Sunday, it will be celebrated on the following Monday.

Section 4. Employees who are absent without good cause on the regularly scheduled work day prior to or after the holiday shall not be eligible for holiday pay.

Section 5. Holiday Worked. Hours worked on a holiday will be included in the calculation of overtime.

ARTICLE 6 – HOURS

Section 1. Eight and one half (8.50) consecutive hours, with a thirty (30) minute unpaid lunch break, will constitute a regular work day and ten (10) work days during a consecutive fourteen (14) day period shall constitute a pay period. Two days off in each such pay period shall be consecutive weekend days. Overtime will be paid for all hours in excess of eight (8) worked each day, or eighty (80) hours per pay period. (Overtime shall be distributed equally among the employees insofar as it is reasonably possible to do so). There will be no compensatory time off in lieu of overtime. Only hours worked shall be used in the compilation of hours for the purpose of earning overtime.

There will be two paid break periods, one fifteen (15) minute break in the first half of the shift and one fifteen (15) minute break in the second half of the shift.

Section 2. Except for part-time employees, time and one-half shall be paid for all time worked on an employee’s regularly scheduled day off. This does not apply to employees that voluntarily exchange hours.

Section 3. Any employee covered by this Agreement who, having completed his regular scheduled shift, shall receive not less than four (4) hours pay at the straight time hourly rate if called back to work. It is understood, however, that if an employee is called in to attend training sessions outside of their regular work day, they will be paid for the actual time spent in training at the appropriate overtime rate of pay with a minimum of one (1) hour of
compensation. The training to be conducted will be limited to training which is legally mandated and/or job related.

**ARTICLE 7 – VACATION**

**Section 1.** All regular employees who have completed less than four (4) years of service will accrue vacation hours at a rate of .0461 per compensated hour up to an annual maximum of ninety six (96) vacation hours. All regular employees after completing four (4) years or more of service will accrue vacation hours at the rate of .0654 per compensated hour, up to an annual maximum of one hundred and thirty six (136) vacation hours. All regular employees after completing ten (10) years or more of service will accrue vacation hours at a rate of .0846 per compensated hour up to an annual maximum of one hundred and seventy six (176) vacation hours. All vacation hours accrue at the straight time hourly rate.

**Section 2. Part-Time Accumulations.** Part-time employees, must be authorized to and work at least thirty-two (32) hours per pay period to be eligible for vacation benefits.

**Section 3.** General conditions as contained in Cerenity Policy will apply on earned vacation.

**Section 4.** Employees will be able to use their earned and accrued vacation after three (3) months of employment.

**ARTICLE 8 – SICK LEAVE**

Employees covered by this agreement shall earn sick leave at the rate of eight (8) hours per month. Sick leave accumulation will be permitted for up to seven hundred twenty (720) hours or until Long Term Disability Insurance provided by the Employee becomes available, whichever occurs first.
ARTICLE 9 – PAID FUNERAL LEAVE

In the case of a death in the immediate family (mother, father, wife, husband, brother, sister, child, mother or father-in-law, or the employee's grandparent or grandchild), the employee will be granted a leave of absence of three (3) days without loss of pay pursuant to the policy of the Employer. Paid funeral leave will not be charged against accumulated sick leave.

Part-time employees must be authorized to and work at least sixty (60) hours, per pay period, to be eligible for paid funeral leave.

ARTICLE 10 – HEALTH AND WELFARE

Section 1. The health and welfare plan, major medical, life insurance and retirement program shall be maintained by the Employer and continued in effect during the term of this Agreement. Copies of all foregoing programs have been made available to the Union. In the event modifications are made during the term of this Agreement, copies shall be furnished to the Union.

The Employer shall contribute seventy percent (70%) of the total premium for the Health Insurance for employees that are authorized to work sixty (60) to eighty (80) hours per pay period. The Employer shall contribute sixty percent (60%) of the total premium for Health Insurance for employees that are authorized to work forty-eight (48) to fifty-nine (59) hours per pay period. Employer contributions for Dental and Vision Insurance are the same as contributions made by the Employer for non-contract employees.

Section 2. Eligible employees shall be covered under the terms and provisions of the Cerenity Employee Retirement Plan, as it may be amended from time to time. Eligible employees must work a minimum of one thousand (1000) hours, be employed a minimum of one (1) year, be a minimum of twenty-one (21) years old, and be an active employee on 12/31, except in the year of retirement.

Section 3. Employees will be able to participate in the 403(b) plan and contribute annually into the plan.
ARTICLE 11 – JURY DUTY

An employee serving on jury duty which necessitates absence from work shall be paid the difference between his pay for such jury duty and his regular straight time pay on the basis of forty (40) hours a week. Payment shall be made within two (2) weeks after such jury service is completed upon presentation to the Employer of evidence satisfactory to it of such jury service and pay therefor.

Part-time employees must be authorized to and work at least sixty (60) hours, per pay period, to be eligible for paid jury duty leave.

ARTICLE 12 – SAFETY SHOES

The Employer shall reimburse each full-time Employee up to ninety-five dollars ($95.00) annually upon submission of a receipt to the Employer. All employees shall wear their safety shoes while at work. Such reimbursement shall be made available to new employees upon completion of four (4) months of employment and annually thereafter.

ARTICLE 13 – SENIORITY

Section 1. The principles of seniority rights shall govern in filling vacancies, selecting shifts, determining layoffs and call backs at Employer’s facilities and in granting promotions or in determining the rights of any employee with the job classifications referred to herein, provided the employee is the most qualified employee to perform the work required. If the Employer intends to promote a more junior employee, the Union will be advised prior to the time that such promotion is made, and the parties will promptly meet and discuss the promotion.

Section 2. Any person who is on layoff will remain on the seniority list for one year after which time his/her name shall be stricken. An employee can obtain one (1) more additional year of time on the seniority list with thirty (30) days’ notice to the Employer prior to the end of the first one (1) year period. This
additional one (1) year period will only be available for employees who have had three (3) or more years of seniority with the Employer before the original layoff.

Section 3. The Employer will notify the employee with three (3) or more years of seniority before the original layoff of the opportunity to request the one (1) additional year extension of time on the seniority list ten (10) months after layoff and said notice will be sent to the employee's last known address.

Section 4. From the end of the one (1) year or the extended second year, the person can reapply for any subsequent openings and will be given equal consideration as a new applicant.

Section 5. In the case of layoff, the first employee laid off will be the employee with the least classification seniority. That employee shall only have the right to bump an employee in a lower classification, provided the employee bumping is presently qualified to perform the work required and also has more total Local 70 bargaining unit seniority than the employee bumped. Bumped employees shall have the right to bump other employees in the same or lower classification provided the bumping employee is presently qualified to perform the work required and has more Local 70 bargaining unit seniority. Employees who bump into a lower classification will have classification seniority equal to their Local 70 bargaining unit seniority.

Section 6. The last employee laid off shall be the first employee called back in the event of an opening, subject to the qualification language of Section 1.

Section 7. The order of classification, highest to lowest, is Operating Engineer, Maintenance Mechanic and Utility Mechanic.

Section 8. Any employee promoted to a higher classification shall have the right to return to his/her classification only within the employee's first ten (10) work days after the promotion. The time can be extended by mutual agreement.

Section 9. Senior employees shall be defined as all employees senior to the last person on the seniority list within each classification.
ARTICLE 14 - GRIEVANCE AND ARBITRATION

Section 1. Grievance Definition and Procedure. All grievances shall be determined as provided in this Article. A grievance shall be defined as any controversy arising over the interpretation of or the adherence to the terms and provisions of this Agreement. The following steps shall be utilized in resolving grievances.

**Step 1.** Within seven (7) calendar days of the occurrence the employee will informally discuss the grievance with the employee's supervisor or the supervisor's designee.

**Step 2.** If the grievance is not resolved at the time of the Step 1 informal discussion, it shall be reduced to writing and submitted to Human Resources within 20 calendar days of occurrence. A grievance relating to pay shall be timely if received by Human Resources within 3 calendar months after the pay day for the period during which the grievance occurred.

Within 20 calendar days after submission of the written grievance to Human Resources, a Step 2 meeting to consider the grievance shall be held among representatives of the Employer, the Union and the employee.

Within 14 calendar days following the Step 2 meeting, the Employer shall submit a written reply to the Union and the employee.

**Step 3.** In the event such controversy cannot be settled, it may be appealed to Management within 20 days of the Step 2 answer and another attempt to resolve the issue will be made as soon as reasonably possible through the use of mediation provided by the Federal Mediation and Conciliation Service. If shall be understood that neither party will be bound by the mediation. If following mediation, a resolution cannot be reached; either party may request in writing, that the grievance be referred to Arbitration. No individual employee or member of the Union shall have the right to invoke arbitration without written consent of the Union.
Section 2. Arbitrator.

Subd. 1. Selection of Arbitrator. The arbitration request shall be referred to a neutral arbitrator selected by the parties. In the event that the Employer and the Union cannot agree upon a neutral arbitrator within 30 days, the neutral arbitrator shall be selected from a list of seven (7) neutral arbitrators to be submitted by the Federal Mediation and Conciliation Service.

Subd. 2. Arbitrator's Authority. The neutral arbitrator's authority shall be limited to interpreting and applying this Agreement consistent with its intent.

Subd. 3. Arbitrator's Decision/Cost of Arbitration. The decision of the neutral arbitrator shall be final and binding on the Union, the Employer, and the employee. The decision shall be made within thirty (30) calendar days following the close of the hearing. The fees and expenses of the neutral arbitrator shall be divided equally between the Employer and the Union.

Section 3. Time Limits. The time limitations set forth herein relating to the time for filing a grievance and a demand for arbitration shall be mandatory. Failure to follow such limitations shall result in the grievance being waived, and it shall not be submitted to arbitration. The time limitations provided herein may be extended by mutual agreement of the Employer and the Union.

ARTICLE 15 – LEAVE OF ABSENCE

Employees requesting a leave of absence for a period longer than seven (7) days may be granted same for a period not to exceed six (6) months if approved by both the Employer and the Union. If such leave is for purposes of carrying on Union business for the Local, the Union and the Employer may mutually agree to an additional six (6) month extension without loss of seniority. Other than the accumulation of seniority under the Agreement and privileges accorded employees under the Employer Group Insurance Plan,
employees on leave of absence shall not be entitled to any of the benefits of this Agreement.

**ARTICLE 16 – REMOTE SITE DUTIES**

When an employee is required to use their personal automobile to perform work for the Employer, the employee will be compensated based upon the current mileage policy announced by Cerenity. The mileage rate will be in accord with the IRS-approved mileage rate. When that rate is increased, the new rate will be implemented when put into effect throughout Cerenity, which will be within a reasonable time after being announced by the IRS.

**ARTICLE 17 – NON-DISCRIMINATION**

The Employer and the Union agree that neither will discriminate against an employee covered by this Agreement with regard to any term or condition of employment because of race, religion, color or national origin or sex and that both will promote equal opportunity in employment for all qualified persons.

**ARTICLE 18 – TRAINING**

The Employer shall pay for all coursework, materials, and examination fees for all employees to acquire any certificates/licenses directly related to the employee’s job description/duties, within Cerenity Budget Considerations.

**ARTICLE 19 – TERM OF AGREEMENT**

THIS AGREEMENT shall supersede any and all previous understandings and agreements between the parties and shall be in full force and effect from the first day of October, 2018 and continue to September 30, 2020, except that either party may open the Agreement for the negotiation of wage rates ninety (90) days prior to September 30, 2020, and shall continue in full force and effect from year to year thereafter unless written notice of desire to change,
modify or terminate is given by either party to the other party hereto ninety (90) days prior to the annual date of expiration.

ARTICLE 20 – SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon any successors and assigns of the Employer. In the event such successor or assign has a contract with a different labor organization covering any of the classifications contained in this Agreement, the matter shall be referred to the National Labor Relations Board for determination.
IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed:

For:  Cerenity

Todd Carsen, Administrator

Karla Morrison, Manager of Labor and Employee Relations

For:  International Union of Operating Engineers Local 70

David Monsour, Business Manager

Michael Dowdle, President

Linda Powers, Recording Secretary

Drew Brodeen, Business Representative

Anna Noble, Union Steward

10.8.18
Date

Date

DB/jcb/opel#12
Contracts/Cerenity
LETTER OF AGREEMENT

Cerenity, hereinafter referred to as the Employer, and the International Union of Operating Engineers, Local 70, AFL-CIO, hereinafter referred to as the Union, agree to the following:

A. The following wage rate will be in effect October 1, 2018 and October 1, 2019.

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<th>October 1, 2018</th>
<th>October 1, 2019</th>
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<tbody>
<tr>
<td>Robert Perez</td>
<td>$22.44</td>
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<tr>
<td>Josh Schlichting</td>
<td>$21.93</td>
<td>$22.37</td>
</tr>
<tr>
<td>Anna Noble</td>
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B. Anna Noble shall receive a one-time bonus of $1,200.00 on or before October 1, 2018.

C. After Anna Noble successfully obtains a Special Engineer License, she will be promoted to Operating Engineer and receive the wages of, $21.93 (10/1/18) and $22.37 (10/1/2019).

For: Cerenity

[Signature]

Todd Carsen, Administrator

[Signature]

Karla Morrison, Manager of Labor and Employee Relations

October 8, 2018

Date

For: International Union of Operating Engineers Local 70

[Signature]

David Monsour, Business Manager

[Signature]

Drew Brodeen, Business Representative

[Signature]

Anna Noble, Steward

Date

DB/jcb/opeiu#12