AGREEMENT
BETWEEN
EVER-GREEN ENERGY, INC.
AND
INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL NO. 70
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APPENDICES: A. Grievance Form
AGREEMENT

This Collective Bargaining Agreement, hereinafter referred to as the AGREEMENT, is entered into this 1st day of August, 2018 ("Effective Date"), by and between EVER-GREEN ENERGY, INC, hereinafter referred to as the EMPLOYER, and the INTERNATIONAL UNION OF OPERATING ENGINEERS, Local No. 70, affiliated with the AFL-CIO, hereinafter referred to as the UNION, and shall remain in effect through July 31, 2021, representing the EMPLOYEES classified herein.

EMPLOYER agrees that if during the life of this AGREEMENT it discontinues, transfers or assigns the operations covered by this AGREEMENT, it shall inform the successor organization of the exact terms of this AGREEMENT and shall make the transfer or assignment conditional upon the transferee or assignee, assuming all obligations of this AGREEMENT until its expiration date and treating the affected EMPLOYEES of the UNION in accordance with the term of this AGREEMENT.

ARTICLE I
RECOGNITION AND NON-DISCRIMINATION

1.1 The EMPLOYER hereby recognizes the UNION, its agents, or representatives, as the exclusive collective bargaining unit for all full-time and regular part-time EMPLOYEES of Duluth Energy Systems located at Duluth Steam Plant #1, including all existing or hereafter acquired structures and equipment used in the operation of the facility.

1.2 Neither the EMPLOYER nor the UNION, in carrying out their obligations under this AGREEMENT, shall discriminate against any EMPLOYEE for any characteristic covered under EMPLOYER'S Equal Employment Opportunity policy.

1.3 There shall be no discrimination against any EMPLOYEE because of affiliation with the UNION, and there shall be no UNION activities during working hours, except for those specifically required for the presentation of grievances.

1.4 The EMPLOYER shall not enter into any agreement with the EMPLOYEES coming under the jurisdiction of this AGREEMENT, either individually or collectively, which in any way conflicts with the Terms and provisions of this AGREEMENT.
ARTICLE II

MANAGEMENT RIGHTS

2.1 Except as specifically limited by the provisions of this AGREEMENT, the management of the district energy system and the direction of the working forces shall be vested solely and exclusively in the EMPLOYER. This provision shall include, but is not limited to, the right to hire; to determine quality and quantity of work performed; to determine the number of EMPLOYEES to be employed; to lay off EMPLOYEES; to assign and delegate work; to establish work and quality standards; to enter into contracts for the furnishing and purchasing of supplies and services; to maintain and improve efficiency; and to suspend, discharge or otherwise discipline EMPLOYEES for cause.

2.2 The EMPLOYER may initiate and implement such policies as are mandated from time to time by federal or state laws or regulations.

2.3 The EMPLOYER shall have the right to establish, maintain and enforce reasonable rules and regulations to assure safe and orderly operations, it being understood that this AGREEMENT shall be controlling should any such rules and regulations be in conflict with any provisions of this AGREEMENT.

2.4 The policies contained in the Ever-Green Energy Employee Handbook dated May 2014 apply to all EMPLOYEES except for those policies in conflict with this AGREEMENT in which case this AGREEMENT shall be controlling. EMPLOYER maintains the right to amend, terminate or add policies from time to time in order to comply with regulatory changes or adjustments in business practices. Should a policy change warrant review with the UNION, it will be defined in this AGREEMENT. EMPLOYER policies on Attendance & Punctuality, Drugs & Alcohol, Leaves of Absence and Termination of Employment are policies requiring review with the UNION.

2.5 All EMPLOYER representatives who are excluded from the UNION will not perform the regular work of any job classification covered by the AGREEMENT except for the purposes of instruction, experimentation, start-up of new equipment or procedures, or in emergencies.

2.6 The EMPLOYER may assign an EMPLOYEE to do any job within another classification provided that such EMPLOYEE is licensed and qualified to perform the work. When working outside of their own classification, EMPLOYEES shall be paid at the rate of the higher of the two classifications.

2.7 It is understood that the term "Supervisor" as used in this AGREEMENT means the non-UNION employee of the EMPLOYER designated as a UNION EMPLOYEE's Supervisor.
ARTICLE III

EMPLOYEE COOPERATION

3.1 All EMPLOYEES and the UNION recognize that, in order to provide stable or growing employment opportunities, the EMPLOYER must operate efficiently, and toward that end, the EMPLOYER, the UNION, and all EMPLOYEES will work together to increase and maintain productivity, to improve methods of operation, and to eliminate waste of time or materials.

3.2 It is expressly understood and agreed that the services to be performed by the EMPLOYEES covered by this AGREEMENT pertain to and are essential to the operation of a utility, and to the welfare of the public dependent thereon. In consideration thereof, and of the agreements and conditions herein, to be kept and performed by the EMPLOYER, the UNION agrees that no strike or work stoppage will be authorized during the term of the AGREEMENT and the EMPLOYER agrees it will do nothing to prevent the continuity of performance of said EMPLOYEES insofar as such performance is required in the normal and usual operation of the EMPLOYER’s property. The EMPLOYER further agrees there will be no lockout during the term of this AGREEMENT. The UNION further agrees that it will take every reasonable means to induce EMPLOYEES engaged in an unauthorized strike or concerted work stoppage to return to work, and that unauthorized strikes or work stoppages shall be grounds for immediate termination of employment. There shall be no responsibility on the part of the UNION for any unauthorized strike or other unauthorized concerted interruption of work. All questions, disputes or controversies under this AGREEMENT shall be settled and determined by the grievance, conciliation, and arbitration procedures provided in this AGREEMENT.

3.3 Should a contingency arise as contemplated by Section 3.2 above, where an EMPLOYEE and/or EMPLOYEES covered by this AGREEMENT cease work of their own choice, the UNION hereby agrees to endeavor, to the best of its ability, to provide the EMPLOYER, at its request, with proper and adequate services to enable the EMPLOYER to continue operation of its properties without interruption or other injurious effect, and in the event of failure of the UNION to do so, the EMPLOYER may, so long as such failure shall continue, secure and use the services of others than those covered by this AGREEMENT.

ARTICLE IV

PROBATIONARY STATUS and TEMPORARY HELP

4.1 All new EMPLOYEES will remain in a probationary status for the first ninety (90) calendar days of employment. All terms and conditions of this AGREEMENT apply during
the probationary period except for Article VI— Discipline and Discharge, Article VII—
Grievance Procedure, Article VIII— Arbitration, Article IX— Severance of Employment and
Article XX Section 1— Clothing Allowance. An EMPLOYEE’s probationary status is not
altered by him or her becoming a UNION member pursuant to Article V of this
AGREEMENT during the probationary period. A probationary EMPLOYEE may be
terminated at any time, with or without cause during his or her probationary period.

4.2 Temporary help may be employed for ninety (90) work days (720 worked hours)
at a wage rate established by EMPLOYER. Temporary help may perform such tasks as
assigned by EMPLOYER or assigned personnel. Such tasks may encompass duties
normally found in other job classifications, provided no other EMPLOYEE would be
caused to suffer loss of work or overtime as a result. No fringe benefits shall be paid to
temporary help.

ARTICLE V

UNION SHOP

5.1 All persons now employed or hereinafter employed by the EMPLOYER in the
classifications set forth in Article XVII of this AGREEMENT shall, within thirty-one (31)
calendar days following the date of their employment, become and remain members in
good standing in the UNION, or alternatively, shall maintain good standing by paying the
portion of the initiation fee, dues and assessments that are uniformly applied to all
EMPLOYEES covered by this AGREEMENT that relate to the UNION’s representation
function. Temporary help shall not be required to join the UNION or pay dues to the
UNION during the ninety (90) work day temporary employment period provided for in
Article IV of this AGREEMENT.

5.2 If any EMPLOYEE does not remain “in good standing” as defined above, the
EMPLOYER shall terminate the EMPLOYEE within twenty-one (21) calendar days of
receipt of written notice to do so from the UNION.

5.3 The EMPLOYER agrees to deduct monthly UNION dues from the wages of
EMPLOYEES covered by this AGREEMENT. Such deductions shall be made only for
EMPLOYEES who voluntarily provide the EMPLOYER with written authorization for such
deductions. The authorization shall not be revocable for a period of one (1) year or until
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 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.

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5.4 Within thirty-one (31) calendar days after an EMPLOYEE covered by this AGREEMENT has been hired, the EMPLOYER shall fax, email or mail to the UNION written notice thereof, stating the EMPLOYEE’S name, address, work classification and date of hiring.

5.5 The provisions of Section 5.1 shall not apply to any EMPLOYEE who is a member of and adheres to established and traditional tenets or teachings of a bona fide religious body or sect which has historical conscientious objections to joining or financially supporting labor organizations; except that such EMPLOYEE shall be obligated to pay the service fee required by Section 1 above to a non-religious charity fund, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, chosen by the EMPLOYEE.

5.6 The UNION agrees to indemnify the EMPLOYER and hold it harmless from any and all claims and expenses incurred by the EMPLOYER which arise out of the entering into or enforcement of the UNION dues deduction provisions of this Article V. The EMPLOYER agrees to notify the UNION promptly of any claim that may be subject to this indemnification obligation.

5.7 A duly authorized UNION business representative may visit the premises of the EMPLOYER at reasonable hours for the transaction of official business that cannot reasonably be conducted off the EMPLOYER’s premises, and at any time at the request of the EMPLOYER to attend grievance hearings or other planned meetings. The UNION business representative shall first notify the General Manager or Assistant Manager of his or her presence upon the premises for official business. The UNION agrees that visits by its business representatives shall be conducted in a manner that avoids disruption to the EMPLOYER’S business operations and distraction of EMPLOYEES from their job duties. Except as otherwise agreed to by the EMPLOYER, all UNION business shall be conducted during the involved represented EMPLOYEES’ non-working time.

5.8 EMPLOYEES covered by this AGREEMENT who are prevented by a picket line formed by another union or unions from entering the premises to perform their regular duties shall not be held guilty of insubordination.

ARTICLE VI

DISCIPLINE AND DISCHARGE

6.1 The EMPLOYER will follow the procedures set forth below with regard to discipline for violation of established EMPLOYER policies. With each step taken, a copy of the document outlining the offense will be provided to the UNION Steward and the UNION office.
(a) **First Offense:** Formal Verbal warning. The verbal warning shall be documented with a memorandum provided to the EMPLOYEE. A copy of the memorandum shall be retained by the EMPLOYEE's supervisor.

(b) **Second Offense (of same or similar policy):** Written warning. Copies of the written warning shall be provided to the EMPLOYEE, the UNION's Shop Steward and a copy shall be permanently filed in the EMPLOYEE's personnel file.

(c) **Third Offense (of same or similar policy):** One day suspension without pay and written notice permanently filed in EMPLOYEE's personnel file.

(d) **Fourth Offense (of same or similar policy):** Five day suspension without pay and written notice permanently filed in EMPLOYEE's personnel file.

(e) **Fifth Offense (of same or similar policy):** Permanent dismissal.

Note: The EMPLOYER has a unilateral right to skip or repeat any of the progressive discipline steps listed above on a case-by-case basis depending on special circumstances and the seriousness of the offense.

6.2 The disciplined EMPLOYEE and/or the UNION has the right to grieve any imposed discipline.

**ARTICLE VII**

**GRIEVANCE PROCEDURE**

7.1 All differences between the EMPLOYER and its EMPLOYEES, or the UNION, concerning interpretation, application, or compliance with any provision of this AGREEMENT shall be deemed a grievance and shall be settled in accordance with this Article. All issues including but not limited to claims, applications, compliance, interpretation of, or payments regarding insurance benefits are not subject to the grievance procedures.

7.2 EMPLOYEES' individual grievances (as distinguished from policy grievances) shall be handled as follows:

(a) **Step 1.** The EMPLOYEE shall verbally notify his or her Supervisor of a grievance within six (6) working days of the alleged violation of this AGREEMENT, at which time a settlement between these parties shall be
attempted. Any settlement reached shall be in conformity with the terms of this AGREEMENT, and the Supervisor shall provide a response to the EMPLOYEE within six (6) working days. Working days are defined as Monday through Friday, and are not to include Saturdays, Sundays or holidays that are covered by this AGREEMENT or defined in the EMPLOYER’S Handbook.

(b) **Step 2.** If a satisfactory settlement is not reached, the EMPLOYEE shall notify the UNION’s Shop Steward. If the Shop Steward elects to do so, he shall, within six (6) working days after the EMPLOYEE has received the Supervisor’s response in Step 1, inform the Supervisor and schedule a Step 2 grievance conference. Any settlement reached shall be in conformity with the terms of this AGREEMENT and shall be documented, by the EMPLOYEE’s Supervisor in writing with a copy provided to the EMPLOYEE and the UNION’s Shop Steward. EMPLOYEES’ individual grievances not raised to Supervisors’ attention within six (6) working days of the alleged violation of this AGREEMENT shall be considered closed.

(c) **Step 3.** If no settlement or reasonable solution is reached in Step 2, the grievance will be issued in writing using Appendix A and will be submitted to the General Manager within six (6) working days of the Step 2 conference.

i. Within ten (10) working days of the receipt of the written grievance, a Step 3 grievance hearing will be held between representatives of each party in an attempt to resolve the grievance. Thereafter, a written decision will be issued by the General Manager within six (6) working days of the hearing. The EMPLOYER shall not be required to pay the EMPLOYEE’s or the UNION’s Shop Steward’s wages for time spent in attendance at any Step 3 hearing.

ii. In the event the written decision is not satisfactory to the UNION, a written request for arbitration will be submitted within six (6) days of receipt of the Step 3 decision. If such written request is not made within this time limit, the grievance shall be considered closed.

(d) **Step 4.** Arbitration shall be conducted in accordance with Article VIII.

7.3 Policy grievances shall begin with Step 3 of the grievance procedure above, within ten (10) working days of the alleged violation.

7.4 The time limitations specified in this Article are mandatory and may only be extended by mutual, written consent of the parties.
ARTICLE VIII

ARBITRATION

8.1 Any individual or policy grievance or difference in the interpretation of this AGREEMENT that may arise which cannot be agreed upon by the representatives of the EMPLOYER and the UNION shall be finally resolved by arbitration administered by the State of Minnesota Bureau of Mediation Services under Minnesota Administrative Rule Chapter 5500 hearing procedures, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The arbitration shall be conducted in St Paul, Minnesota in accordance with the Minnesota Labor Relations Act, Minnesota Administrative Rules and State of Minnesota Bureau of Mediation Services policies except as modified hereunder. There shall be one arbitrator selected as follows:

(a) Either party shall request a list of either 5 or 7 arbitrators from the Federal Mediation and Conciliation Service (FMCS) or, by mutual agreement, the American Arbitration Association (AAA).

i. The arbitrator selection shall be commenced by either party by requesting a list of arbitrators as described above. The EMPLOYER and the UNION shall attempt to agree on one of the arbitrators contained in the list. If the parties are unable to agree, then the parties shall, through an alternating process, strike names one at a time from the list and the remaining name shall act as the Arbitrator.

(b) The party requesting arbitration shall submit in writing to the other party, on the same date arbitration is requested, a complete and detailed Statement of Issues which shall contain specific reasons for the arbitration and which shall state the section or sections of the AGREEMENT wherein a violation is claimed and the reasons advanced. Copies of the Statement of Issues shall be given to the arbitrator least three (3) days prior to their first meeting.

(c) The arbitrator shall hear all evidence on the case or cases referred to it and with representatives from both parties present render its decision in writing as soon as administratively feasible after testimony has been completed, preferably within fifteen (15) days but no later than thirty (30) days.

(d) It is mutually agreed that the time limitations set forth in this article are reasonable and shall be strictly adhered to, unless such limitations are extended by the action or written approval of the arbitrator.

(e) Each party shall bear the expense of preparing and presenting its own case
and the expenses of its arbitrator.

8.2 At the request of either party, and with mutual agreement of both parties, certain grievances or disputes may be submitted to "Expedites Arbitration" conducted in accordance with the expedited Labor Arbitration Rules of the American Arbitration Association (A.A.A.). In the event that either party declines arbitration under the expedited procedure, then the grievance or dispute may be submitted to regular arbitration as previously defined in this Article.

8.3 Nothing contained in this AGREEMENT shall be construed as an agreement to submit to arbitration any question or difference involved in the negotiation of a new AGREEMENT or in the negotiation of an amendment to this AGREEMENT.

ARTICLE IX

SEVERANCE OF EMPLOYMENT

9.1 EMPLOYEES covered by this AGREEMENT electing to resign shall give the EMPLOYER a fourteen (14) calendar day notice and shall continue in the EMPLOYER'S service during this fourteen (14) day period.

9.2 The EMPLOYER electing to terminate, for just and sufficient reason, the service of EMPLOYEES covered by this AGREEMENT, shall give such EMPLOYEES fourteen (14) days advance notice UNLESS the termination is as a result of disciplinary action, in which case no notice is required.

9.3 The EMPLOYER shall not discharge any EMPLOYEE covered by this AGREEMENT without just cause. Any EMPLOYEE charged with an offense involving discharge shall be informed of such offense in writing at the time of discharge, and a copy thereof mailed to the UNION. The UNION or EMPLOYEE may protest such a discharge within five (5) days thereof. Any EMPLOYEE who has been discharged and whose discharge is later found to be without just cause shall be reinstated and paid for all time lost.

9.4 When a reduction in the workforce becomes necessary, it will be implemented on the basis of seniority and the EMPLOYEES with the least seniority after due consideration of qualifications in view of the needs of the System shall be the EMPLOYEES laid off. In the event a layoff becomes necessary, the EMPLOYER will notify the UNION and the EMPLOYEE(S) laid off, in writing, at the earliest opportunity, but the notice shall not be less than fourteen (14) days before the date of the layoff. EMPLOYEES shall be recalled in reverse order of layoff. The EMPLOYER will notify recalled EMPLOYEES at the EMPLOYEES' last known addresses. It is the EMPLOYEES' responsibility to notify the
EMPLOYER of any address change before and during a layoff period. EMPLOYEES laid off shall retain seniority and the right for recall in seniority order for a period of twelve (12) months after the date of layoff.

ARTICLE X

WORK RELATED INJURY

10.1 If an EMPLOYEE is injured in the course of employment, the following procedures will be followed:

(a) The EMPLOYER may, at its sole discretion, require the injured EMPLOYEE be tested for the presence of drug and alcohol in his or her blood or urine. An EMPLOYEE’s refusal to comply with this requirement immediately following a work related injury is grounds for discipline.

(b) The EMPLOYEE will receive all workers’ compensation benefits provided by law.

(c) The EMPLOYEE becomes eligible to receive reimbursement by the EMPLOYER for the initial workers’ compensation waiting period of up to three days provided the injured EMPLOYEE, when physically able, obtains from their physician a light duty workability form on which the physician establishes the injured employee’s physical/work restrictions. Failure to: obtain the form from the physician; return the form to the EMPLOYER immediately after the visit to the physician; or to return to work for assignment by the EMPLOYER for duties within the applicable work restrictions would result in forfeiture of the waiting period benefits provided herein. EMPLOYER reserves the right to require an additional evaluation through its occupational medicine clinic should the initially provided physician’s evaluation be insufficient to determine workability.

(d) For the initial 120 hours the EMPLOYEE is scheduled to work after the work related injury occurs, the EMPLOYEE will be paid the difference between the workers’ compensation payment and his/her regular straight-time day rate. This provision shall not apply more than twice in any calendar year.

(e) After the period described in (c) and (d) above, no further compensation will be issued by the EMPLOYER until the EMPLOYEE returns to work; however, the EMPLOYEE would continue to receive all worker’s compensation benefits provided by law.
10.2 In the event the EMPLOYEE can be released for only partial duty for an extended period and if that partial duty is too restrictive to allow performance of all regular duties, the EMPLOYER may, it its sole discretion, design a light duty temporary position which will allow the EMPLOYEE to return to the workplace, under the following conditions:

(a) The job may encompass duties normally found in other job classifications, provided that no other EMPLOYEE would be caused to suffer lack of work or overtime nor would they be bumped from their regular classification as a result.

(b) The rate of pay would be at the regular straight time day shift rate of the injured EMPLOYEE; the work would be performed during the regular day shift.

(c) The light duty position would be terminated as soon as the EMPLOYEE's restrictions were reduced sufficiently to perform the regular job or at any time there was no longer productive, light duty work available.

(d) During light duty work, the EMPLOYEE would accrue normal benefits.

ARTICLE XI

SENIORITY

11.1 Seniority shall be established and EMPLOYEES placed in the seniority list on the ninety-first (91st) calendar day of employment. The ninety-first day of employment shall constitute the first day of employment for seniority purposes.

11.2 Any EMPLOYEE covered by this AGREEMENT who is injured in the course and scope of their employment shall continue to accumulate seniority during their absence due to such injury, and upon recovery shall be reinstated, unless prohibited by the Minnesota Workers' Compensation Statutes, Rules and Regulations, to their former position with full seniority rights, provided the EMPLOYEE is physically qualified to return to work. It is understood that when such EMPLOYEE returns to work, the regular rules of seniority will prevail for those EMPLOYEES below them on the seniority list unless otherwise mutually agreed between the EMPLOYER and the UNION.

11.3 EMPLOYEES possessing the necessary qualifications shall, with due consideration of qualifications, hold seniority rights in promotion assignments. When reduction in the work force becomes necessary, the seniority principles, with due
consideration of qualifications, shall govern demotions and reductions in staff. Seniority shall be broken by:

(a) Voluntarily leaving the service of the EMPLOYER.

(b) Absence due to discharge, suspension or leave of absence continued more than six (6) months, except as longer leaves of absence may be provided for in this AGREEMENT.

(c) Absence due to disability which continues for more than six (6) months during the first three (3) years of service, absence due to disability which continues for more than one (1) year after three years of service. Provided however, that EMPLOYEES injured while on duty shall accumulate seniority credit for continuous service until the termination of the period for which statutory compensation is payable. An EMPLOYEE's continuous service and seniority shall be broken if he does not report for work within thirty (30) days after the termination of such compensation period if he is so injured while on duty in the EMPLOYER's service.

11.4 When a vacancy occurs or a new position (permanent or temporary) is to be filled, notice shall be posted in the workplace for ten (10) consecutive days. Any eligible EMPLOYEE who is qualified may apply for the job by signing such notice within the ten (10)-day period. The EMPLOYER may advertise the position or otherwise solicit external candidates concurrent to the 10-day internal posting period. The EMPLOYER will consider seniority, performance, qualifications and ability of all candidates; if performance, qualifications and ability are relatively equal, seniority will control the selection of internal applicants. If there are no qualified internal applicants, the EMPLOYER may fill the position in such manner as it shall determine. For the convenience of the EMPLOYER, temporary assignments may be made until permanent promotion or hiring processes are completed.
ARTICLE XII

VACATION AND PAID TIME OFF

12.1 EMPLOYEES covered by this AGREEMENT shall accrue paid vacation at the rate of two weeks of paid vacation per year during their first two (2) years of employment; three (3) weeks of paid vacation per year after two (2) years of continuous employment; four (4) weeks of paid vacation per year after six (6) years of continuous employment; and five (5) weeks of paid vacation per year after twelve (12) years of continuous employment.

12.2 Upon termination of employment, an EMPLOYEE shall be paid for vacation time based on straight time worked in each week, or major fraction thereof, accrued to the date of his or her termination.

12.3 An EMPLOYEE may carryover five (5) days of vacation time in addition to time earned in the prior year. Carryover of vacation time in addition to that authorized in the preceding sentence is not permitted unless such carryover is authorized in writing by EMPLOYER.

12.4 Vacation time may be taken after it accrues at times approved by the EMPLOYER and requested according to the following procedure:

(a) At the beginning of each calendar year, the most senior EMPLOYEE in each job classification shall have until February 15 to request specific vacation dates for the remainder of the year. If the senior EMPLOYEE fails to request vacation dates by February 15, he or she shall be moved to the bottom of the EMPLOYEE seniority list for the purpose of requesting vacation dates and seniority shall then only apply to the vacation schedules for the rest of the EMPLOYEES in that job classification, each having ten (10) working days to request vacation dates before being moved to the bottom of the EMPLOYEE seniority list for the purpose of requesting vacation dates. EMPLOYEES who request vacation dates after the process described above is complete shall be accommodated on a first-come, first-served basis, subject to a ten (10) working day approval period unless EMPLOYER elects to waive any portion of this approval period on a case-by-case basis.

(b) Vacations shall be requested in time blocks of one (1) hour or more. All time off requested will be subject to a ten (10) working day approval period unless EMPLOYER elects to waive this requirement in a case-by-case basis. The EMPLOYER cannot guarantee all requested vacation dates will be approved, but will make a legitimate effort to approve all requests. In the event specific vacation
dates cannot be approved, the EMPLOYER shall provide the affected
EMPLOYEE with its rational for disapproving the request.

12.5 If a holiday occurs during an EMPLOYEE's vacation, the EMPLOYEE will receive
holiday pay in addition to vacation pay for that day.

12.6 In the event an EMPLOYEE's approved vacation time is cancelled by
EMPLOYER and EMPLOYEE has incurred non-refundable expenses with respect to the
approved vacation time, EMPLOYER shall promptly advise EMPLOYER of such non-
refundable expenses; provide EMPLOYER with proof and documentation of the
expenses and allow EMPLOYER to assist in the recovery of non-refundable expenses.
If such non-refundable expenses have not been recovered by EMPLOYEE within 15
days of the cancellation, EMPLOYER shall reimburse the EMPLOYEE for such non-
refundable expenses and EMPLOYER shall be entitled to any subsequent recovery of
such expenses. EMPLOYEE shall provide EMPLOYER with such further cooperation
with respect to recovery of such non-refundable expenses both before and after the 15-
day period as may be requested by EMPLOYER.

12.7 No vacation time shall be accrued after the first month of disability or sick leave.
Vacation time shall be accrued for time worked only. During an EMPLOYEE's
Probationary Period, vacation time shall be earned at the rate of two weeks per year
(0.03580 hours of paid vacation per hour of time worked, up to a maximum of 3.08 hours
of vacation time per pay period) beginning on the first day of employment, but shall not
be accrued or available for use until the 91st day of employment.

12.8 Vacation time shall accrue on a weekly basis.

12.9 After each calendar quarter in which an EMPLOYEE has no unplanned absence
from work due to disability or illness, the EMPLOYEE shall accrue eight (8) hours
straight-time pay or eight (8) hours of vacation time (EMPLOYEE's option), prorated by
the number of days in an employee's first calendar quarter of employment. Earned time
shall not be accrued or available for use until the 91st day of employment. All such unpaid
or unused accruals shall be paid out at the end of each calendar year.
ARTICLE XIII

DISABILITY BENEFITS

13.1 Disability benefits shall be paid as follows:

(a) Absence from work due to non-occupational disability shall be compensated at fifty percent (50%) of the EMPLOYEE's straight-time rate up to a maximum benefit period of ninety (90) calendar days from the first day of disability. Disability benefit compensation shall commence on the first day of absence from work due to injury and on the second day of absence from work due to sickness. Thereafter, benefits shall be sixty percent (60%) of straight-time rate, but not to exceed $2,500 per month. Benefits under this Article XIII, Subsection 13.1(a) may continue to age 65, subject to the terms of EMPLOYER's long-term disability policy.

(b) If an EMPLOYEE is injured or becomes ill off the job, he or she may be asked by EMPLOYER to return to work as soon as possible for whatever restricted duty as may be allowed by his or her physician, or as determined by EMPLOYER's occupational health clinic.

ARTICLE XIV

LEAVES OF ABSENCE

14.1 Leaves of absence shall be granted under the following circumstances:

(a) Each EMPLOYEE is authorized a leave of absence with pay at the straight time base first (i.e. day) shift rate not to exceed the total hours the EMPLOYEE would normally be scheduled to work in up to three (3) shifts during said leave of absence in the event of the death of any member of the EMPLOYEE's immediate family member. A leave of absence with pay at the straight time base first shift rate not to exceed the total hours the EMPLOYEE would normally be scheduled to work in one (1) shift during said leave of absence is authorized in the event of the death of a grandparent of the EMPLOYEE. The immediate family, for the purpose of this section, shall include spouse and children of the EMPLOYEE, and the mother, father, brother or sister of the EMPLOYEE or his or her spouse.

(b) All other leaves of absence required by law which are required by law to be compensated leaves shall be paid at the EMPLOYEE's straight-time rate less compensation received from the service for which the leave is required. The EMPLOYER's Leave of Absence policy provides additional clarification of required leaves.
ARTICLE XV

HOLIDAYS

15.1 New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day are hereby designated as holidays for the purpose of this AGREEMENT. If any such holiday falls on a Saturday or Sunday, it shall be celebrated by all EMPLOYEES working days on the day such holiday is actually observed as such by Federal government employees, and be considered the holiday for the purposes of this Article. For EMPLOYEES working shifts, any such holiday shall be observed on its calendar date.

15.2 There shall also be five (5) additional "floating" holidays per calendar year, prorated by the number of days in an Employee's first calendar year of employment. Floating holidays shall not be available for use until the 91st day of employment. A float holiday will be selected by each EMPLOYEE, on an individual basis, in the same manner as vacations are selected. Arrangements must be made at least ten (10) days in advance, in writing, and be approved by the EMPLOYER.

15.3 An EMPLOYEE not scheduled to work on a holiday shall be paid for eight (8) hours at the hourly rate (excluding all premium pays) applicable to the job classification to which he is regularly assigned.

15.4 All EMPLOYEES who work on a holiday shall receive one and one-half (1-1/2) times their regular hourly rate for all hours worked on such holiday. In addition, they shall receive paid holiday compensation as described in Section 15.3.

15.5 An EMPLOYEE scheduled to work on a holiday who fails to report and perform his or her assigned work shall not be paid for the unworked holiday unless he has failed to perform such work because of sickness. In this case, the EMPLOYER, may, at its discretion, require reasonable proof of illness.

15.6 Holiday hours not worked shall be counted as time worked in computing the work week for the purpose of computing overtime, only if the unworked holiday falls in the EMPLOYEE's regularly scheduled work week.

15.7 When a holiday falls in a relief EMPLOYEE's relief schedule and the EMPLOYEE is not scheduled to work on the holiday, he shall be paid for eight (8) hours for such holiday as per Section 15.3 of this Article at the rate for the job scheduled and worked immediately prior to and after such holiday if the job pay rate is the same for both days. If the job rates are different for such days, the relief EMPLOYEE shall be paid for such non-worked holiday at the lower of the two rates.
15.8 If an EMPLOYEE's request to not work a regularly scheduled rotating shift holiday can be accommodated, the EMPLOYEE shall receive paid holiday compensation as described in Section 15.3 for the first eight hours of the scheduled shift and shall use vacation hours for the balance of the shift duration (if the scheduled shift duration is greater than eight hours). In this situation, the vacation hours shall be paid at the applicable straight time wage rate. Such requests shall be considered for approval based on Seniority. Alternatively, EMPLOYEES have the option of requesting vacation for the entire shift in accordance with the provisions of ARTICLE XII.

**ARTICLE XVI**

**WORK HOURS AND OVERTIME**

16.1 Fourteen days shall constitute a pay period. The pay period shall commence at the start of the first (i.e. day) shift on alternate Mondays. Forty (40) hours worked within seven (7) days shall constitute a work week. The work week shall commence on Mondays at the start of the first (day) shift. The EMPLOYER shall provide EMPLOYEES with a seven (7) calendar day notice of any change to the duration of the regular workday duration unless such change is as a result of an unplanned forced plant outage or other emergent, unavoidable circumstance.

16.2 All Production (plant) work shifts shall rotate so that each EMPLOYEE will have a reasonably equal opportunity to work day, evening and night shifts.

16.3 When EMPLOYEES are required to hold themselves in a standby status (in the local area and available to be contacted and to respond to calls), they shall be entitled to pay for such time equal to one-half of the appropriate rate that such EMPLOYEE would have been entitled to had he worked during such standby time. If the EMPLOYEE is called to work during the standby period, he will be paid for time worked at the appropriate rate.
16.4 Overtime wages (one and one-half (1-1/2) times the regular wage rate) shall be paid for hours worked:

(i) In excess of the regularly scheduled shift duration until sixteen (16) consecutive hours are worked; after which any additional time worked shall be paid at two and one-half times (2-1/2) the regular hourly rate.

(ii) In excess of forty (40) hours worked in any work week.

(iii) If required to work outside of regularly scheduled shift.

(iv) Vacation and sick leave used during the employees regularly scheduled work week or workday will not be credited to allow an employee to accumulate hours entitling that employee to overtime premium pay.

16.5 There shall be no pyramiding of overtime.

16.6 When the EMPLOYER determines a requirement for overtime it shall be offered to EMPLOYEES in the order of overtime lists (one list established for each job class in order of seniority as of the day this AGREEMENT is signed). Upon offering overtime, whether an EMPLOYEE accepts the overtime or not, his or her name goes to the bottom of the overtime list. The next time an overtime opportunity presents itself (or the same overtime opportunity as above if the most senior EMPLOYEE declined to accept the overtime), the EMPLOYEE second on the seniority list (now at the top of the overtime list) is offered the overtime, and so on. If none of the EMPLOYEES in that job class volunteer to take the overtime, then the EMPLOYEE with the least seniority (regardless of his or her position on the overtime list) is assigned the overtime.

16.7 When the EMPLOYER determines a requirement for over-time which can be met by extending an EMPLOYEE's shift (after that EMPLOYEE has already started his or her shift), and if that EMPLOYEE is willing to extend his or her shift, the provision of Section 16.6 regarding assignment of overtime by seniority shall not apply.

16.8 EMPLOYEES shall normally not be scheduled to work continuously for more than sixteen (16) hours. If the offer or assignment of overtime would result in more than 16 hours of continuous work for an EMPLOYEE, Section 16.6 shall not apply in the case of that EMPLOYEE.

16.9 In the event of an EMPLOYEE resignation without the 14-day notice required by Section 9.1 of this AGREEMENT, the EMPLOYER shall not be bound by the terms of Section 16.6 regarding the offering or assignment of overtime during the 14-day period following an EMPLOYEE's resignation. During this period, the EMPLOYER, at its sole discretion, may assign EMPLOYEES holding the requisite license to Operating Watch Engineer and Assistant Watch Engineer shifts or portions of shifts. In this occurrence, EMPLOYEES shall be paid the higher of their normal job classification wage rate or the wage rate of the assigned position.
16.10 An EMPLOYEE required to work four (4) or more unscheduled hours beyond his or her scheduled shift shall be entitled to a meal at EMPLOYER'S expense.

16.11 An EMPLOYEE called back to work after being relieved shall be paid a minimum of two (2) hours' pay at the overtime rate (1-1/2 times the regular wage rate).

16.12 EMPLOYEES shall be paid two (2) hours straight time or actual time spent at the medical facility (whichever is greater) for OSHA mandated annual physical examinations if completed outside of an EMPLOYEE's normal 40-hour work week. The same applies to follow-up medical appointments determined to be required as a result of the annual OSHA mandated physical examination.

16.13 EMPLOYEES shall be paid two (2) hours overtime or actual time spent on site (whichever is greater) for EMPLOYER mandated training if completed outside of an EMPLOYEE'S scheduled 40-hour work week.

16.14 Lunch breaks shall be on EMPLOYEE's time for all EMPLOYEES not working rotating shifts. Such personnel will take their lunch break from 12:00 noon to 12:30 pm, provided that if an emergency arises that requires their work during that time period, they will, upon request, perform such work and will take their lunch break either before 12:00 noon or after 12:30 pm.

16.15 Two fifteen (15) minute breaks, one before and one after the lunch break shall be provided and paid by the EMPLOYER for all EMPLOYEES not working rotating shifts.
ARTICLE XVII

JOB CLASSIFICATIONS, WAGE RATES AND LICENSE REQUIREMENTS

17.1 Wage rates and State of Minnesota Boiler Operator License requirements for each covered job classification for the duration of this AGREEMENT are as follows:

<table>
<thead>
<tr>
<th>PRODUCTION GROUP</th>
<th>Job Classification\textsuperscript{11}</th>
<th>8/1/18 - 7/31/19</th>
<th>8/1/19 - 7/31/20</th>
<th>8/1/20 - 7/31/21</th>
<th>Required License\textsuperscript{1}</th>
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<tbody>
<tr>
<td>Working Foreman - Production</td>
<td>$39.46</td>
<td>$40.74</td>
<td>$42.06</td>
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<tr>
<td>Assistant Working Foreman - Production</td>
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<td>$38.65</td>
<td>$39.91</td>
<td>Chief Class A</td>
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<tr>
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<td>$37.62</td>
<td>1\textsuperscript{st} Class A</td>
<td></td>
</tr>
<tr>
<td>Assistant Watch Engineer</td>
<td>$32.29</td>
<td>$33.34</td>
<td>$34.42</td>
<td>1\textsuperscript{st} Class A</td>
<td></td>
</tr>
<tr>
<td>Production Mechanic-3</td>
<td>$33.93</td>
<td>$35.03</td>
<td>$36.17</td>
<td>Special</td>
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<tr>
<td>Production Mechanic-2</td>
<td>$32.54</td>
<td>$33.60</td>
<td>$34.69</td>
<td>Special</td>
<td></td>
</tr>
<tr>
<td>Production Mechanic-1</td>
<td>$31.25</td>
<td>$32.27</td>
<td>$33.32</td>
<td>Special</td>
<td></td>
</tr>
<tr>
<td>Boiler Technician</td>
<td>$29.27</td>
<td>$30.22</td>
<td>$31.20</td>
<td>1\textsuperscript{st} Class A</td>
<td></td>
</tr>
<tr>
<td>Boiler Operator Apprentice</td>
<td>$24.64</td>
<td>$25.44</td>
<td>$26.27</td>
<td>2\textsuperscript{nd} Class A</td>
<td></td>
</tr>
<tr>
<td>Production Laborer</td>
<td>$19.78</td>
<td>$20.42</td>
<td>$21.08</td>
<td>Special</td>
<td></td>
</tr>
</tbody>
</table>

| DISTRIBUTION GROUP |
|-------------------|------------------|------------------|------------------|-------------------|
| Job Classification\textsuperscript{11} | 8/1/18 - 7/31/19 | 8/1/19 - 7/31/20 | 8/1/20 - 7/31/21 | Required License\textsuperscript{7} |
| Working Foreman - Distribution | $37.50 | $38.72 | $39.98 | Special |
| Assistant Working Foreman - Distribution | $32.96 | $34.03 | $35.14 | Special |
| Distribution Technician 3 | $30.69 | $31.69 | $32.72 | Special |
| Distribution Technician 2 | $26.14 | $26.99 | $27.87 | Special |
| Distribution Technician 1 | $24.64 | $25.44 | $26.27 | Special |
| Distribution Laborer | $19.78 | $20.42 | $21.08 | Special |

Notes:

1. New hires in the Production Laborer and all Production Mechanic job classifications
shall not be required to hold State of Minnesota Boiler Operator licenses but must obtain Special Boiler Operator’s licenses in order to successfully complete the Probationary Period.

2. The Production Mechanic-3 job classification requires a current SMAW 4G certification and at least eight (8) years of industrial maintenance or operations experience.

3. The Production Mechanic-2 job classification requires a current SMAW certification in the 4G welding position and at least five (5) years of industrial maintenance or operations experience.

4. The Production Mechanic-1 job classification requires at least four (4) years of industrial maintenance or operations experience.

5. EMPLOYEES in the Boiler Operator Apprentice job classification shall be promoted to the Boiler Technician job classification upon obtainment of a Minnesota 1A license. New hires for the Boiler Technician job classification must hold a Minnesota 1A license.

6. EMPLOYEES in the Production Laborer job classification shall be promoted to the Boiler Operator Apprentice job classification upon obtaining a Minnesota 2A license. New hires for the Boiler Operator Apprentice job classification must hold a Minnesota 2A license.

7. New hires in the Distribution Group job classifications shall not be required to hold State of Minnesota Boiler Operator licenses but must obtain Special Boiler Operator’s licenses in order to successfully complete the Probationary Period.

8. The Distribution Technician-3 job classification requires at least five years (5) of experience in plumbing, pipefitting, HVAC or related fields which, at the sole discretion of the EMPLOYER, is determined to satisfy the training requirements listed below for Distribution Technician-1 and Distribution Technician-2.

9. EMPLOYEES in the Distribution Technician-1 job classification shall be promoted to the Distribution Technician-2 job classification after three (3) total years of satisfactory job performance and successful completion of the following additional TPC Training System online courses (or equivalent courses as designated by EMPLOYER):

   275-Flow Measurement  
   344-Pump Installation and Maintenance  
   437-Control Systems  
   440-Absorption Chillers.

New hires for the Distribution Technician-1 job classification may, at EMPLOYER’S sole discretion, substitute applicable experience or education for the specific training courses listed here.
10. EMPLOYEES in the Distribution Laborer job classification shall be promoted to the Distribution Technician-1 job classification after one (1) year of satisfactory job performance and successful completion of the following TPC Training Systems online courses (or equivalent courses as designated by EMPLOYER):

345-Maintenance Pipefitting  
306-Piping Systems  
345-Valve Maintenance & Piping System Protection.

New hires for the Distribution Technician-1 job classification may, at EMPLOYER’S sole discretion, substitute applicable experience or education for the specific training courses listed here.

11. All job classification experience, certification and training requirements listed above, with the exception of Minnesota Boiler licenses for specific job classifications shall be waived for EMPLOYEES hired or promoted into those specific job classifications before the effective date of this AGREEMENT. All requirements shall apply to all job classifications for all EMPLOYEES for all new hiring actions and promotions occurring after the effective date of this AGREEMENT.

12. Effective August 1, 2018:

a. The Production Laborer base wage rate shall be increased by 3.25 percent plus an additional $1.50 and the base rate for Distribution Laborer classification shall be increased to the same rate.

b. The Boiler Operator Apprentice base wage rate shall be increased by 3.25 percent plus an additional $1.50 and the base wage rate for Distribution Technician 1 classification shall be increased to the same rate.

c. The base wage rates for all other job classifications shall be increased by 3.25 percent.

In each of the two additional years of this AGREEMENT term, the base wage rates for all job classifications shall be increased by 3.25 percent per year.

13. The effective date for promotional pay rate changes upon obtaining of qualifying license certification shall be the first day of the pay period following Human Resources receipt of an employee’s submission of the applicable license certification.

14. A Distribution Technician may request a technical review, through the Foreman, to determine if s/he is qualified to advance to the next technician classification. The technical review, which may include skill testing and/or demonstration, may also be called for by management. This committee will consist of management and the Foreman or other qualified mentor, any final determination will be at the discretion of management.
15. A Chief of the Plant designation may be applied at management's discretion and will carry a premium of 4% per hour additional to the employee's pay rate. The Chief of the Plant designation may be applied to any Ever-Green Energy employee, including all union and non-union staff. If EMPLOYER applies the designation to a union EMPLOYEE, the job shall be posted. In the event no one applies, EMPLOYER may assign the position to the least senior qualified Chief A license holder. In the event of a sudden need, management reserves the right to assign this position to a union EMPLOYEE until the bidding process can be invoked.

17.2 The EMPLOYER shall allow the EMPLOYEE to sit for State of Minnesota Boiler Operator license exams on EMPLOYER'S time. If the EMPLOYEE fails to pass the exam on his or her first attempt, the EMPLOYER, at its sole discretion, may allow the EMPLOYEE to sit for a second exam on EMPLOYER'S time. The EMPLOYEE shall make arrangements with the EMPLOYER for any further testing to be taken as vacation time or personal time.

17.3 EMPLOYER shall, upon EMPLOYEE successfully passing each of the Special, Second Class A, First Class A, and Chief A exams, reimburse EMPLOYEES for exam fees, initial license fees and the license renewal fees.

17.4 The EMPLOYER shall, upon EMPLOYEE successfully passing each of the online training courses listed above, reimburse EMPLOYEES for course registration fees and required training materials.

17.5 The EMPLOYER shall, upon EMPLOYEE successfully passing the welding certification required for the Production Mechanic job classifications, reimburse EMPLOYEES for the certification costs and renewal fees.

17.6 The on-duty Operating Watch Engineer shall be responsible for the safe and efficient operation of the district energy system during his or her shift. He or she has the authority and responsibility to instruct, order or direct subordinate personnel in any way reasonably required to fulfill this responsibility. This notwithstanding, when directed by the EMPLOYER, Operating Watch Engineers may be assigned training, maintenance, repair or other duties when such additional duties would not interfere with the safe and efficient operation of the district energy system.

17.7 The on-duty Assistant Watch Engineer shall be responsible for assisting the Operating Watch Engineer in the safe and efficient operation of the district energy system during his or her shift. This notwithstanding, when directed by the EMPLOYER, Operating Watch Engineers may be assigned training, maintenance, repair or other duties when such additional duties would not interfere with the safe and efficient operation of the district energy system.
ARTICLE XVIII

PREMIUM PAY

18.1 An EMPLOYEE designated and assigned by EMPLOYER, as the on-call Relief Operating Watch Engineer or as the on-call Relief Assistant Watch Engineer shall be paid a premium of twenty-five cents ($0.25) per hour in addition to the regular rate(s) for each job classification worked.

(a) When more than one Relief Operating Watch Engineer is designated, the EMPLOYEES so-designated shall alternate assignment, as the on-call Relief Operating Engineer. Only the on-call Relief Operating Engineer shall be paid the $0.25 premium pay. The same provisions apply when multiple Relief Assistant Watch Engineers are designated.

18.2 When working an eight (8) hour rotating shift schedule, EMPLOYEES working the second shift shall be paid a premium of one dollar ($1.00) per hour for all hours worked during such second shift. Likewise, EMPLOYEES working the third shift shall be paid a premium of fifty cents ($0.50) per hour for all hours worked during such third shift.

When working a twelve (12) hour rotating shift schedule, EMPLOYEES working the second shift shall be paid a premium of one dollar ($1.00) per hour for all hours worked during such second shift.

This premium shall be payable only for hours actually worked by the EMPLOYEE and shall not be considered a part of the base rate of vacation, sick leave, or other purposes.

18.3 EMPLOYEES who perform work requiring the use of a safety harness or work in Permit-Required Confined Spaces shall receive a premium of Three Dollars ($3.00) per hour in addition to their regular rate and other premiums, for those hours actually spent performing such work.

18.4 EMPLOYEES holding a Minnesota Chief A license shall receive an additional 25 cents ($0.25) per hour for all hours worked. This premium shall be payable only for hours actually worked by the EMPLOYEE and shall not be considered a part of the base rate of vacation, sick leave, or other purposes. The additional premium shall be effective the first day of the pay period following Human Resources receipt of an employee's submission of the Minnesota Chief A license certification.

18.5 The EMPLOYER shall pay the following monthly premiums for longevity to EMPLOYEES:

<table>
<thead>
<tr>
<th>Years of Continuous Employment</th>
<th>Monthly Longevity Premium Pay</th>
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<tr>
<td>10 - 20</td>
<td>$25</td>
</tr>
<tr>
<td>Over 20</td>
<td>$35</td>
</tr>
</tbody>
</table>
ARTICLE XIX

WELFARE AND RETIREMENT PROGRAM

19.1 EMPLOYEES shall be covered for medical insurance under a group contract with Medica, and for dental insurance under a group contract with Sun Life. The EMPLOYER intends to continue that coverage, or comparable coverage, under contract with the same or an alternate carrier, depending on the comparable cost of such or similar coverage -- having in mind the EMPLOYEE exposure to increased premiums as described in the next paragraph. Any change in policy or carrier will be first discussed with EMPLOYEE representatives. EMPLOYER shall pay eight percent (80%) of the monthly premium for the above, or successor, group contract, for each EMPLOYEE, and the EMPLOYEE shall pay twenty percent (20%) of such premium through payroll withholding. EMPLOYER shall pay eighty percent (80%) of the monthly premium for dependent coverage, and the EMPLOYEE shall pay twenty percent (20%). In addition, the EMPLOYEE shall pay the deductible and co-pay amounts required under such policy for all illness or injury incurred while the policy is in effect. For EMPLOYEES who elect the high deductible health plan, the EMPLOYER will fund a Health Savings Account (HSA) at amount determined by the EMPLOYER each year, in no year less than $2,000.

19.2 EMPLOYER will provide a Flexible Spending Account (FSA) which permits pre-tax deferrals for unreimbursed medical expenses and/or dependent care expenses in accordance with IRS rules. The cost of creating and administering the plan will be paid by the EMPLOYER.

19.3 The EMPLOYER will provide group term life insurance on each EMPLOYEE in the face amount of Twenty-Five Thousand Dollars ($25,000). EMPLOYER will also provide accidental death and dismemberment insurance.

19.4 EMPLOYER shall provide various voluntary benefit programs including group accident insurance, vision coverage, voluntary life and dependent life insurance.

19.5 The EMPLOYER shall contribute each pay period to the Ever-Green Energy Inc Salary Deferral Retirement Plan – Plant Bargaining Unit, until terminated, or any successor defined contribution plan maintained by a successor employer, six (6) percent of base compensation earned by EMPLOYEES for time worked or paid per pay period. Such contributions shall be promptly deposited in the EMPLOYEE’S account in the plan each pay period. The EMPLOYER shall also contribute an annual matching contribution of fifty cents per dollar contributed by EMPLOYEES on the first 2% of base compensation.

ARTICLE XX

CLOTHING ALLOWANCE AND SAFETY EQUIPMENT

20.1 Each EMPLOYEE shall be paid an amount not to exceed Three Hundred Fifty Dollars ($350) per year upon submission of receipts for the purchase of work clothing and
boots which are not provided by the EMPLOYER. Fifty Dollars ($50) of such allowance unused in any one year may be carried over to the next year, with a maximum of Four Hundred Dollars ($400) available for reimbursement in any one year.

20.2 Each EMPLOYEE shall, during working hours, wear a shirt provided and paid for by the EMPLOYER. EMPLOYEES shall also be required to wear any other uniform items provided and paid for by EMPLOYER should such items be provided during the term of this AGREEMENT.

20.3 The EMPLOYER shall furnish Personal Protective Equipment (PPE) for the protection of EMPLOYEES required to meet minimum OSHA Standards. It is a rule of the parties hereto that such PPE be worn as intended.

**ARTICLE XXI**

**MISCELLANEOUS**

21.1 It is mutually agreed that should a dispute occur between the UNION and the EMPLOYER involving the failure of an EMPLOYEE or EMPLOYEES to go through a picket line of another union, such dispute shall be considered a dispute between the UNION and the EMPLOYER and not a dispute between such EMPLOYEE or EMPLOYEES and the EMPLOYER.

21.2 The parties look forward to a long term, successful relationship based on mutual trust, confidence and understanding of the individual concerns and priorities of the parties. In that spirit, the parties desire to establish an open and informal level of communication to make this AGREEMENT as workable for the parties as possible. It is the intent of the parties that the interpretation in the work place of this AGREEMENT shall not establish any shop rules that will be binding on the parties except by formal written AGREEMENT. Nothing in this provision or in this AGREEMENT shall limit in any way the informal efforts of the parties to resolve concerns as those concerns arise. Where the parties wish to have any matter binding on future similar or substantially similar matters, they shall reduce formal agreement on the matter to writing signed by both parties. Changes to this AGREEMENT may be made at any time when mutually agreed to by the EMPLOYER and the UNION.
ARTICLE XXII

COMPLIANCE WITH LAW

22.1 Any Federal or State laws which supersede any part of this AGREEMENT shall not void any conditions of this AGREEMENT which is not in conflict with such laws.

22.2 This AGREEMENT shall be binding upon the successors or assigns of the EMPLOYER and the provisions and terms hereunder shall not be affected or changed in any respect by the consolidation, merger, sale or transfer of the EMPLOYER'S company or the district heating system.

22.3 The terms and provisions of this AGREEMENT shall become effective on August 1, 2018, and shall continue in full force and effect until July 31, 2021, and thereafter for every year unless either party hereto, by giving the other party to this AGREEMENT notice in writing sixty (60) days prior to July 31, 2021, and each July 31 thereafter, that such party desires to reopen the AGREEMENT for amendment.

Dated at St. Paul, Minnesota, this 28th day of August, 2018.

EVER-GREEN ENERGY, INC

[Signature]
Chief Administrative Officer

Dated at Duluth, Minnesota, this 29th day of August, 2018.

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL NO. 70

[Signature] Matt Harrison
Matt Harrison, Shop Steward

[Signature] Bob Bechtold
Bob Bechtold, Shop Steward

Dated at White Bear Lake, Minnesota, this ___ day of __________, 2018.

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL NO. 70

[Signature] David Monsour
David Monsour, Business Manager

[Signature] John Hane
John Hane, Business Agent
International Union of Operating Engineers, Local No. 70  
2722 County Rd D East, White Bear Lake, MN 55110  
(651) 646-4566

GRIEVANCE REPORT

VIA

Date: _________________________

Employer: _____________________

Nature of Grievance

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<thead>
<tr>
<th>Date:</th>
<th>Date:</th>
<th>Date:</th>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1</td>
<td>Step 2</td>
<td>Step 3</td>
<td>Step 4</td>
</tr>
</tbody>
</table>

Contract Violation(s):
and any/all other Articles and past practices that may apply.

Remedy Desired:

Grievance Filed on Behalf of: