
CITY OF MINNEAPOLIS

And

**AMERICAN FEDERATION OF STATE,
COUNTY AND MUNICIPAL EMPLOYEES,
DISTRICT COUNCIL NO. 5, LOCAL
UNION NO. 9, AFL-CIO
(Water Unit)**

**LETTER OF AGREEMENT
Retention Incentive**

WHEREAS, the City of Minneapolis (“Employer”) and the AFSCME Water Unit (“Union”) (collectively “parties”) are parties to a Collective Bargaining Agreement (“Labor Agreement”), currently in effect; and

WHEREAS, the parties agree that the ability to retain employees is valuable to providing successful services to the residents and businesses of the City of Minneapolis; and

WHEREAS, some positions in the bargaining unit require specialized certificates and/or training, not commonly found in the local labor market, including that multiple positions require a Water support System Operator Class D or higher; and

WHEREAS, the work performed by bargaining unit members requires a specific skill set that can make the positions difficult to fill, if hiring is necessitated; and

WHEREAS, Minnesota has been experiencing historically low rates of unemployment, creating a tight labor market generally; and

WHEREAS, the parties desire to incentivize current bargaining unit members to continue in service for the Employer; and

WHEREAS, the parties have negotiated this Letter of Agreement in conjunction with and as part of the negotiations for the Labor Agreement.

NOW, THEREFORE BE IT RESOLVED, that the parties agree as follows:

1. The Employer will pay a Retention Incentive of \$1000 to eligible bargaining unit members who are and remain employed by the Employer from the beginning through the end of the Retention Period and work an average of at least 35 hours per week.

2. The Retention Incentive shall be paid following the expiration of the Retention Period in one lump sum payment, which shall be subject to applicable withholdings and deductions.
3. "Eligible bargaining unit members" means bargaining unit members who are permanent employees, as defined by Civil Service Rule 18. Temporary, permit, and detailed employees are not eligible for the Retention Incentive. Probationary employees may become eligible, provided they successfully complete the probationary period.
4. "Retention Period" means the period from the Effective Date through the end of the twelve-month period following the Effective Date (*e.g.*, if the Effective Date is March 31, 2023, then the Retention Period ends March 31, 2024). In the case of probationary employees, the Retention Period begins on the Effective Date and ends twelve months after the employee successfully completes the probationary period.
5. "Effective Date" means the date City Council and Mayoral approval of this Letter of Agreement is published in the Journal of Proceedings.
6. Notwithstanding any provision in the Labor Agreement to the contrary, the average hours worked per week as described in Paragraph 1 shall be calculated using only those hours actually worked during the Retention Period and shall not include any other form of paid time or any form of unpaid time, including but not limited to compensatory time, paid holidays, paid sick leave, jury duty leave, bereavement leave, or vacation time.
7. The Retention Incentive is not an entitlement. Employees who become employed after the beginning of the Retention Period, or who separate from employment prior to the end of the Retention Period, regardless of reason for separation, will not earn or be paid the Retention Incentive.
8. Nothing herein constitutes nor shall be construed as a guarantee of continuing employment for any employee.
9. This Letter of Agreement shall not be construed to establish any precedent between the parties and may not be offered as evidence in any grievance or arbitration proceedings, except in a proceeding arising from claims brought under this Letter of Agreement. The parties shall not ever assert or claim that this Letter of Agreement is precedent in any current or future personnel action or administrative procedure or litigation of any kind.
10. The terms of this Letter of Agreement shall not be construed to place any limits on management rights so long as such rights are not in conflict with a stated term of this Letter of Agreement.
11. The parties agree that this Letter of Agreement constitutes the entire agreement between the parties on the matters addressed herein and it fully supersedes any and all prior agreements or understandings between them relating to the subject matter contained herein. All other terms and conditions of the Labor Agreement will remain in force.

12. This Letter of Agreement is expressly conditioned on approval by the Minneapolis City Council and Mayor of Minneapolis.

THE PARTIES have caused this Letter of Agreement to be executed by their duly authorized representative whose signature appears below:

FOR THE EMPLOYER:

Rasheda Deloney 7-20-23
Rasheda Deloney Date
Director, Labor Relations (Interim)

FOR THE ASSOCIATION:

D. Bard 7-12-23
David Bard Date
Business Manager

Sarah Maxwell 7/20/23
Sarah Maxwell Date
President

