

Public



# CITY OF GRAND RAPIDS

## Meeting Agenda Full Detail City Council Work Session

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Monday, April 8, 2013

Conference Room 2A

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Immediately following the closed session.

**CALL TO ORDER:** Pursuant to due notice and call thereof a Special Meeting/Worksession of the Grand Rapids City Council will be held on Monday, April 8, 2013 immediately following the closed session in Conference Room 2A, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

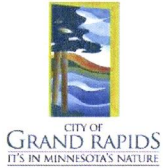
**CALL OF ROLL:** On a call of roll, the following members were present:

### Discussion Items

1. [13-0182](#) 2013 Early Retirement Incentive Program  
*Attachments:* [2013 ERIP](#)
2. [13-0189](#) Project Care Free Clinic Presentation  
*Attachments:* [Project Care Free Clinic](#)
3. Review regular meeting agenda and other business as noted:

**ADJOURN**

**Attest: Tom Pagel, City Administrator**



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 13-0182      **Version:** 1      **Name:** 2013 Early Retirement Incentive Program  
**Type:** Agenda Item      **Status:** CC Worksession  
**File created:** 4/4/2013      **In control:** Administration  
**On agenda:** 4/8/2013      **Final action:**  
**Title:** 2013 Early Retirement Incentive Program

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [2013 ERIP](#)

Date	Ver.	Action By	Action	Result
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*Title*

2013 Early Retirement Incentive Program

*Body*

**Background Information:**

In 2010 the City offered an early retirement incentive program. With that program, eligible employees who entered the program would receive \$10,000 per year for five years in a health care savings account. The purpose of the program was to reduce the number of full-time employees and invest in technology which would create efficiencies. This program has been successful for the City with the implementation of programs like electronic timecards, Laserfiche (records retention), and Legistar (council agenda program).

City staff would like the City Council to consider another early retirement incentive program. With this new program, eligible employees would receive \$10,000 per year for three years instead of five. The purpose of this program is to redefine certain position descriptions that will allow the city to be more efficient and effective.

Attached is a 2013 EARLY RETIREMENT INCENTIVE PROGRAM PACKET. The retirement eligible employees are identified. There are two key areas of direct savings to the City in executing this program. The first savings is a result of pay grade reduction as a result of senior employees retiring and new employees being hired. Over a three-year period this savings is estimated at \$129,060. The second savings is a result of temporary open positions. Typically when a position is retired or opened it takes a minimum of three months to fill. This savings is estimated to be \$136,540. Both of these savings equal \$265,600. The maximum cost for the new retirement program is \$210,000, resulting in a net savings of 55,600.

**Requested City Council Action**

Consider approving the 2013 Early Retirement Incentive Program.



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**CITY OF GRAND RAPIDS  
2013 EARLY RETIREMENT INCENTIVE PROGRAM PACKET**



## INFORMATION SHEET

The City of Grand Rapids, Minnesota (the City) is implementing the below-described one-time voluntary program to provide employees who may be considering retirement an incentive to retire and to subsequently save the City money by redefining position descriptions which will allow the City to be more efficient.

### Section 1. Eligibility

Employees who satisfy the following criteria are eligible to apply to participate in the City's Early Retirement Incentive Plan (ERIP):

- a. **Retirement Plan Eligibility.** The employee must be eligible for a retirement annuity from a public retirement plan such as Public Employee Retirement Association (PERA) on or before the employee's expected retirement date; and
- b. **10 Years Employment with City.** The employee must have been a regular full-time City employee for at least 10 years prior to the employee's expected retirement date; and
- c. **Participation in City-sponsored group health insurance plan.** On the date the employee chooses to retire, he or she must be an employee of the City who is participating in a City-sponsored group health insurance plan.

### Section 2. Requirements

In addition to being eligible as provided in Section 1 of the ERIP, employees' participation in the program is conditioned on compliance with the following requirements:

- a. **May 31, 2013 Application Deadline.** A City of Grand Rapids employee must apply for the ERIP by submitting the attached Participation Agreement no later than 12:00 p.m. on May 31, 2013; and
- b. **November 30, 2013 Retirement Deadline.** The employee must resign and retire on or before November 30, 2013; and
- c. **Release of Claims.** The employee must include his name in the introduction, sign and date the attached Release of Claims Agreement and submit the same to Human Resources on or before the employee's retirement date.
- d. **Acknowledgment of Receipt.** The employee must complete the attached Acknowledgment of Receipt and submit the same to Human Resources on or before the employee's retirement date.

### Section 3. Program Benefits

Contingent on approval by the City, employees who choose to participate in the ERIP (participating employees) will receive \$10,000 annually for three (3) years (36 months) for the purpose of financing health insurance coverage for participating employees and their dependents, if any. The gross proceeds owing to an employee under this program will be deposited into the employee's Minnesota State Retirement System (MSRS) Post Employment Health Care Saving Plan (HCSP) account.

Participating employees will also be eligible for payment in full for any unused Flexible Time Off (FTO) up to a maximum of 288 hours. Payment of FTO will be made directly to the following based on the election of the employee: (a) the employee's MSRS HCSP; (b) a City



of Grand Rapids' sponsored 457 plan employee account (not to exceed maximum contribution allowed by the IRS); or (c) the employee, in a cash payment subject to any applicable payroll deductions and withholdings. A participating employee may elect to use and exhaust his/her FTO before his/her actual employment termination date up to and including November 30, 2013 subject to the approval of the participating employee's department head.

The ERIP benefits described in this section will be issued to participating employees as consideration for said employees' early retirement and execution of the attached Release of Claims agreement. The benefits described in this section will be issued to participating employees only after said employees have met all the requirements specified in Section 2 above. Said benefits are in addition to the benefits that may be provided to the employee based on the practices, policies, rules, agreements, regulations or practices of the City in effect on their retirement date not inconsistent with the terms of this ERIP.

#### **Section 4. Retiree Health Coverage Continuation under Minn. Stat. § 471.61, subd. 2b.**

A participating employee and his/her dependent(s) who are eligible to receive a retirement annuity from a Minnesota public retirement plan such as PERA (your pension service credit need NOT be exclusively with the City of Grand Rapids) may continue to participate indefinitely in the City's sponsored hospital, medical, and dental insurance group that the employee participated in immediately before retirement, under and limited to the conditions set forth in Minnesota Statutes, section 471.61, subdivision 2b, clauses (a) through (k), which conditions are incorporated herein by reference, provided that the participating employee pays the full premium for such insurance coverage. The City will make no contributions for such employee's retirement health insurance premiums. Participating employees who choose to continue to participate in the City's insurance group may use funds from their MSRS HCSP to pay said insurance premiums.

#### **Section 5. Program Application**

Eligible City employees who are interested in the ERIP will have from the effective date of this program through June 30, 2013 to apply for participation in this program.

Employees eligible for this incentive program must retire on or between May 15, 2013 and November 30, 2013. **Once an employee's application package is approved, the retirement date cannot be extended or withdrawn; it must be taken on the date selected by the participating employee, except that said employee may retire sooner with the approval of the participating employee's department head.**

All Early Retirement Incentive Program applications must be submitted in writing to Human Resources no later than 12:00 p.m. on May 31, 2013. We will, however, appreciate learning of your decision as soon as it has been reached.

#### **Section 6. City's Right to Approve or Deny**

The City reserves the right to decline any employee's application to participate in this early retirement incentive program based upon the best interest of the City as determined by job-related factors and as consistent with business necessity.

**Section 7. Other Considerations**

- Consideration of this offer and acceptance thereof are strictly voluntary.
- To accept this offer, an eligible employee must comply with all requirements of Section 2 herein.
- Employees considering this offer are encouraged to consult legal counsel prior to executing the attached Release of Claims agreement.
- All payments made to participating employees under this plan will be subject to any applicable payroll deductions and withholdings.

Adopted by the City Council on \_\_\_\_\_, 2013

## PARTICIPATION AGREEMENT

I hereby apply for the Early Retirement Incentive Program (ERIP) from the City of Grand Rapids. I have read the ERIP Information Sheet in this packet and understand the terms and conditions of the ERIP and agree to be bound by those conditions.

I will be eligible for a PERA pension on the following dates:

- Full unreduced pension on \_\_\_\_\_ (date).
- Early (reduced) pension on \_\_\_\_\_ (date)

I agree that if this application for the ERIP is approved by the City, I will resign from my employment with the City of Grand Rapids on the following date:

\_\_\_\_\_ (date)

I understand that this application for the ERIP will be approved or denied based upon the best interests of the City as determined by job-related factors and as consistent with business necessity and that such decision is solely in the City's discretion.

I understand and agree that upon submittal of my application, and receipt of tentative approval from the City, I further understand and agree that I will sign the Release of Claims Agreement provided to me as a part of the ERIP packet on my last day of employment with the City and that my participation in the program is contingent upon the City's receipt of that signed agreement.

I understand that the information required to be provided to me pursuant to 29 U.S.C. § 626(f)(1)(H) is attached hereto as Appendix A.

I agree that, if my application for an ERIP is approved, and if I have provided the City with a signed and dated Release of Claims Agreement as set forth above, the City of Grand Rapids will provide me with the benefits and additional pay as set forth in Section 3 of the Information Sheet in this packet.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Application must be submitted to the City Administrator or Human Resources Director by  
12:00 p.m. on May 31, 2013**





The following is a listing of the ages of employees who are and are not eligible for the ERIP. Except for those employees eligible for the ERIP, no other employee is eligible.

<b>AGE OF EMPLOYEE</b> <i>As of 11/30/2013</i>	<b>Eligible</b>	<b>Not Eligible</b>
64	X	
62	X	
62	X	
60	X	
59		X
59	X	
59		X
58		X
57		X
56		X
55		X
53		X
52		X
51		X
51		X
50		X
50		X
50	X	
50	X	
50		X
49		X
49		X
49		X
49		X
49		X
49		X
48		X
47		X
46		X
46		X
46		X
45		X
45		X
45		X
45		X
44		X

<b>AGE OF EMPLOYEE</b> <i>As of 11/30/2013</i>	<b>Eligible</b>	<b>Not Eligible</b>
44		X
43		X
43		X
42		X
41		X
41		X
41		X
41		X
40		X
40		X
39		X
38		X
38		X
37		X
37		X
37		X
36		X
36		X
35		X
34		X
34		X
33		X
31		X
31		X
31		X
30		X
30		X
28		X
27		X
26		X
25		X



## RELEASE OF CLAIMS AGREEMENT

This Release of Claims Agreement ("Agreement") is made and entered into and executed on the latest date affixed to the signatures hereto by and between the City of Grand Rapids, Minnesota (the "City") and \_\_\_\_\_ ("Employee") in consideration for the City's payment of certain benefits to Employee under the City's early retirement incentive program ("ERIP"), for which program Employee has voluntarily applied for and chosen to participate in.

All parties hereto, in consideration of their mutual covenants and Agreements to be performed, as hereinafter set forth, agree as follows:

### **Article 1. Consideration**

In consideration for Employee's voluntary participation in the City's ERIP and execution of this agreement, the City will pay Employee \$10,000 annually for three (3) years (36 months) for the purpose of financing health insurance coverage for Employee and Employee's dependents, if any. The gross proceeds owing to Employee under this program will be deposited into Employee's Minnesota State Retirement System (MSRS) Post Employment Health Care Saving Plan (HCSP) account.

The City will also pay Employee in full for any unused Flexible Time Off (FTO) at the time of Employee's retirement up to a maximum of 288 hours. Payment of FTO will be made the following based on the election of the employee: (a) Employee's MSRS HCSP; (b) Employee's City sponsored 457 plan account (not to exceed maximum contribution allowed by the IRS); or (c) Employee, in a cash payment subject to income tax.

The payments described in this Article are the full and final compensation for any and all claims arising out of Employee's employment with the City.

Said compensation is in addition to the compensation that may be provided to the employee based on the practices, policies, rules, agreements, regulations or practices of the City in effect on their retirement date not inconsistent with the terms of this ERIP.

### **Article 2. No Precedent or Past Practice**

All parties to this Agreement hereby acknowledge and agree that: (1) this Agreement is solely for the purposes of resolving the matters in this Agreement; (2) the terms of this Agreement do not have any precedential value beyond this Agreement; and (3) neither this Agreement nor its terms can be introduced, referred to, or in any other way utilized in any subsequent negotiations, mediation, arbitration, litigation, or administrative hearing, except as may be necessary to enforce its provisions and terms.

### **Article 3. No Recall Rights**

Employee agrees that he/she has no recall rights to employment with the City nor will he/she assert such rights under any applicable Labor Agreements between the City and any collective bargaining unit.

## **Article 4. Employee Waiver and Release**

**Section 4.1** Employee knowingly and voluntarily waives his right to pursue and release the City from any and all grievances, claims, demands, actions, liability, damages or rights of any kind, whether known or unknown, that he/she has asserted or may assert, directly arising out of or resulting from Employee's employment with the City to the extent such claims can be waived and released. These claims include, but are not limited to, all claims and rights arising under the Veterans Preference Act, Minn. Stat. § 197.46; any applicable Labor Agreement; the City's Personnel Policy Manual; the Minnesota Human Rights Act, Minn. Stat. §§ 363A.01-41; Title VII of the Civil Rights Act, 42 U.S.C. §§ 2000e – e-17; the Family and Medical Leave Act, 29 U.S.C. §§ 2601-54; the Americans with Disabilities Act, 42 U.S.C. § 12101-117; the Rehabilitation Act of 1973, 29 U.S.C. § 701-96i; the Workers' Compensation Act, Minn. Stat. §§ 176.01-.861; the Public Employment Labor Relations Act, Minn. Stat. §§ 179A.01-.30; the Minnesota Occupational Health and Safety Act, Minn. Stat. §§ 182.65-.676; the Minnesota Whistleblower Act, Minn. Stat. §§ 181.931-.935; the Age Discrimination in Employment Act, 29 U.S.C. §§ 621-34; and the state and federal Fair Labor Standards Acts, 29 U.S.C. §§ 201-19, Minn. Stat. §§ 177.21-.35; and common law.

**Section 4.2** The waiver and release in Section 1 of this article does not apply to the following: (1) rights under the FMLA, unless there is required involvement of the federal Department of Labor or a court of competent jurisdiction; (2) payment of unpaid overtime, unpaid minimum wage, and liquidated damages under the federal FLSA, unless there is required involvement of the federal Department of Labor or a court of competent jurisdiction; (3) rights to file a charge or participate in an investigation or proceeding conducted by the Equal Opportunity Employment Commission (EEOC), but this does not exclude the waiver or release of the right to recover individual relief including, but not limited to, back pay, front pay, reinstatement, attorneys' fees, and/or punitive damages, in any administrative or legal action whether brought by the EEOC or other civil rights enforcement agency, Employee, or any other party; (4) rights to unemployment benefits or any other rights under the Minnesota Unemployment Insurance Law; (5) any claim for workers' compensation only to the extent such benefits are awarded by a state agency or agreed upon consistent with state law; (6) statutory rights, if any, to indemnification from City for claims brought against Employee in his capacity as an employee or agent of City; (7) right under the Uniformed Services Employment and Reemployment Rights Act; (8) rights under the Consolidated Omnibus Reconciliation Act of 1985, as amended; (9) right to challenge the knowing and voluntary nature of this Release under the ADEA; (10) right to assert claims that are based on events occurring after this Agreement becomes effective; and (11) any other right that cannot be released by law.



**Section 4.3** Employee waives his right to contest any recall or failure to recall Employee to employment with the City under Minn. Stat. § 197.46 and any applicable Labor Agreement.

**Article 5. Consideration and Rescission**

**Section 5.1** Employee has 45 days from the date they received this Agreement in which to consider this Agreement pursuant to the Age Discrimination in Employment Act, 29 U.S.C. §§ 621-34.

**Section 5.2** Employee has the right to rescind the release of the claims set forth in Article 4 of this Agreement with regard to claims arising under the Minnesota Human Rights Act, Minn. Stat. §§ 363A.01-41, within 15 calendar days of execution of this Agreement, and with regard to his rights arising under the Age Discrimination in Employment Act, 29 U.S.C. §§ 621-34, within 7 calendar days of execution of this Agreement. The two rescission periods shall run concurrently. In order to be effective, the rescission must:

- A. Be in writing;
- B. Be delivered to Tom Pagel, City Administrator, 420 North Pokegama Avenue, Grand Rapids, MN 55744; and
- C. If delivered by mail, the rescission must be postmarked within the required period, properly addressed to Mr. Pagel, as set forth above, and sent by certified mail, return receipt requested.

This Agreement will be effective upon the expiration of the 15-day period if there is no rescission. If Employee rescinds this Agreement in accordance with this article, he/she will not be permitted to participate in the City's ERIP, will not receive the payment(s) set forth in Article 1 of this Agreement and he/she will be obligated to return any benefits and payments if already received pursuant to this agreement.

**Article 6. Amendment, Modification, or Termination**

This Agreement or any of its terms may only be amended, modified, or terminated by a written instrument signed by or on behalf of all of the parties hereto or their successors in interest.

**Article 7. Entire Agreement**

This Agreement constitutes the entire agreement among the parties hereto. No representations, warranties, covenants, or inducements have been made to any party concerning this Agreement, other than the representations, covenants, or inducements contained and memorialized in this Agreement. This Agreement supersedes all prior negotiations and oral and written agreements and understandings with respect thereto.

**Article 8. Binding Effect**

This Agreement is binding upon, and inures, to the benefit of the successors, executors, administrators, heirs and legal representatives of the parties hereto. This Agreement is not



assignable by any party. Any purported assignment by any party shall be null and void and not operate to relieve such party of its obligations hereunder.

**Article 9. Governing Law and Severability**

**Section 9.1** This Agreement is governed by the laws of the State of Minnesota, both as to interpretation and performance. The rule of construction of interpreting a contract against its drafter will not apply to this Agreement.

**Section 9.2** If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid, or unenforceable by any branch of government with authority over such provision or portion thereof, the remainder of this Agreement shall be deemed severable, shall not be affected, and shall remain in full force and effect.

**Article 10. Voluntary and Knowing Action**

Employee acknowledges that: (1) he/she has read and understands the contents of this Agreement; (2) he/she has been given a fair opportunity to discuss and negotiate the terms of this Agreement; (3) he/she is advised to consult an attorney before signing this Agreement; (4) he/she agrees with the Agreement's provisions and is voluntarily and without duress entering into this Agreement; and (5) he/she has been given at least 45 days to consider this Agreement. If Employee signs the Agreement before the expiration of the 45 day period, it is because he has decided voluntarily that he does not need any additional time to decide whether to sign the Agreement.

**Article 11. Effective Date**

This Agreement is not effective nor executed until the latest date affixed to the signatures hereto.

By: \_\_\_\_\_  
EMPLOYEE

Dated: \_\_\_\_\_

Accepted on behalf of the City of Grand Rapids

By: \_\_\_\_\_  
Mayor

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
City Administrator

Dated: \_\_\_\_\_

**ACKNOWLEDGMENT OF RECEIPT**

I acknowledge receiving a copy of the Release of Claims Agreements attached to the City of Grand Rapids' 2013 Early Retirement Plan Packet on \_\_\_\_\_.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



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# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

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**File #:** 13-0189      **Version:** 1      **Name:** Project Care  
**Type:** Agenda Item      **Status:** CC Worksession  
**File created:** 4/4/2013      **In control:** City Council Work Session  
**On agenda:** 4/8/2013      **Final action:**  
**Title:** Project Care Free Clinic Presentation

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Project Care Free Clinic](#)

Date	Ver.	Action By	Action	Result
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Title

Project Care Free Clinic Presentation



# PROJECT Care

Health Outreach & Access

## Free Clinic

Are you or someone you know in need of medical attention and cannot afford or do not have adequate health care coverage? Project Care may be able to accommodate those needs. For more information call the *main office* (218) 263-8549.

### *Hibbing Clinic*

*Monday & Thursday*

5:30 p.m. - 7:30 p.m.

3112 6<sup>th</sup> Ave East – (218)263-8549

### *Ely Clinic*

*First & Third Tuesday of each month*

5:30 p.m. - 7:00 p.m.

232 W. Sheridan Street – (218)365-2940

### *Grand Rapids*

*First & Third Tuesday of each month*

*Second & Fourth Wednesday of each month*

5:30 p.m. - 7:30 p.m.

100 NW 3<sup>rd</sup> Street, Suite 2 – (218)326-7008

**PICTURE ID REQUIRED \* WALK IN BASIS**

*There shall be no discrimination based on gender, birth, race, native and social origin, religious belief or political opinion. Nobody shall be discriminated against because of disability.*