

AGREEMENT

between

THE TOWNSHIP OF MIDDLETOWN

and

THE WHITE COLLAR EMPLOYEES

LOCAL 1075

CWA, AFL-CIO-CLC

January 1, 2020, through December 31, 2025

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This Agreement made and entered into this day of by and between the Township of Middletown, a municipal corporation, located at 1 Kings Highway, Middletown Township, New Jersey, hereinafter known as the "Township", and Communication Workers of America and its affiliate Local 1075, 58 First Avenue, Suite 201, Atlantic Highlands, NJ 07716, hereinafter known as the Union";

WITNESSETH:

Whereas, the Union has presented proof that it represents a substantial majority of a unit composed of all regular full-time and part-time White Collar employees working in the Departments of the Township of Middletown; and

Whereas, the Township, by virtue thereof, has recognized the said Union as the sole and exclusive bargaining agent for all regular full-time and part-time White Collar employees working in the Departments of the Township of Middletown; and

Whereas, the Township has an obligation pursuant to N.J.S.A. 34:13A-1 et seq, to negotiate with the Union, as the representative of all bargaining unit employees, and to provide orderly and peaceful procedures for presenting employee grievances and proposals; and

Whereas, the Township, on its own behalf and on behalf of the citizens of the Township, hereby retains and reserves unto itself, without limitation, all powers, rights, authority, duties and responsibilities conferred upon and vested by law; and

Whereas, the exercise of the forgoing powers, rights, authorities, duties, and responsibilities by the Township and the adoption of policies, rules, regulations and practices in furtherance thereof and the use of judgement and discretion in connection therewith shall be limited only by the specific and express terms of this Agreement, and then only in conformance with law; and

Whereas, nothing contained herein shall be considered to deny or restrict the Township of its rights, responsibilities, and authority under federal, state, county, or local laws or regulations as they pertain to the Township; and

Whereas, it is the intention of both the Township and the Union that this Agreement be construed in harmony with the rules and regulations of the New Jersey State Department of Personnel:

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

ARTICLE 1 - RECOGNITION

SECTION 1. The Township hereby recognizes the Union as the representative of all regular full-time and part-time White Collar employees of the Township of Middletown.

SECTION 2. The Township agrees to deduct the initiation fee and/or dues from wages of each employee who is a member of the Union, and to forthwith remit the same to the Union.

SECTION 3. The Union agrees to file dues deduction authorization form with the Township prior to such deduction, in accordance with the applicable State Law. The Union agrees to maintain a demand and return system in accordance with the PERC Act (NJSA34:13-5, et.seq.) The Union shall indemnify, defend, and save the Township harmless against all claims, demands, suits, or other forms of liability that shall arise out of or by reason of action taken by the Township in reliance upon the salary deduction authorization forms submitted by the Union to the Township.

ARTICLE 2 -HOURS OF WORK

SECTION 1. Each full-time employee shall receive a minimum guarantee of thirty-five (35) hours of work or pay for each week. No guarantee is made that said work will be assigned in the employee's job category, and employees agree to work in other job classifications at no change in rate of pay (except as noted in ARTICLE 18) and the Township agrees to make such assignments on a seniority basis.

The work week shall be Monday through Friday. Normal hours of work for all full-time White Collar Employees shall be defined as 9:00 A.M. to 5:00 P.M., 8:30 A.M. to 4:30 P.M., or 8:00 A.M. to 4:00 P.M. All hours worked beyond seven (7) hours in any one day or thirty-five hours in any week shall be paid at the rate of time and one-half.

To better cover the needs of the Health and Recreation departments and create potential additional full-time positions, these departments can have full time or part time employees who work regular schedules that include nights and weekends as a part of their "regular" work week. Such full time positions will be posted for bid for current full time and part-time employees. If not filled in this manner, such positions may be filled with newly hired full time employees. In no event, will a current employee be forced onto such alternate shift.

All hours worked beyond seven hours in any one day or 35 hours per week, shall be paid at the rate of time and one half in accordance with the overtime provisions herein.

Health and Recreation employees who work this alternate schedule will have the same number of paid holidays as employees working regular work weeks. To that end, a holiday that falls outside the alternate schedule of that employee will be celebrated by the employee having a paid day off on either the first day of their scheduled work week or the last day, depending when the holiday falls.

For purposes of computing overtime, most time in pay status (ie: vacation, sick, personal, etc.) shall be considered as hours actually worked; except that sick time shall not count towards hours worked for overtime pay on weekends and holidays.

Saturday work shall be paid at the rate of time and one-half the hourly rate for all hours worked in excess of thirty-five hours that week. When an employee is required to work on Saturday, he shall be guaranteed a minimum of three (3) hours work or pay at the time and one-half rate, subject to the above paragraph, and such employee shall be present and available for work for such a minimum time.

Employees reporting to work on a straight time day shall be guaranteed a minimum of seven hours of work or pay.

When an employee is required to work on a Sunday or holiday, he shall be guaranteed a minimum of three (3) hours work or pay at the rate of double time on Sunday plus the holiday pay on a holiday. If an employee requests permission to leave before expiration of the minimum time, the minimum shall not apply.

SECTION 2. Lunch period for employees starting at 8:00 A.M., 8:30, or 9:00 A.M. is to be 12:00 noon to 1:00 P.M. or 1:00 P.M. to 2:00 P.M., for which the employee shall not be paid. Should an employee be required to work through his lunch period because of an emergency, he shall be given an opportunity to take a lunch break not to exceed twenty (20) minutes as soon as practicable, and shall be paid for such lunch break.

Employees shall be granted a fifteen (15) minute coffee break in the morning and a fifteen (15) minute coffee break in the afternoon, and shall be paid for such breaks.

SECTION 3. When an employee is not scheduled for work, and his services are required, he may be called to work and his time shall start when he arrives at his place of assignment, plus one-half hours pay for travel time.

When an employee is called to work under the above conditions, he shall be guaranteed a minimum of three (3) hours work or pay, including one-half hours travel time. All hours worked outside of the employee's regular hours shall be paid at the applicable rate. If an employee is called in outside of his regular hours, and works partly regular hours and partly outside regular hours, he shall be paid at the regular rate for the time worked during his regular scheduled hours and shall be paid at the time and one-half rate for all hours

worked outside his regularly scheduled hours.

SECTION 4. When an employee is required to work ten (10) hours or more on a normal work day, or a full overtime day, he shall be granted a second one-half hour lunch period at no loss of pay for such lunch period and be granted an additional one-half hour lunch period for each four (4) hours over the above mentioned ten (10) hours, also at no loss of pay for such lunch period.

SECTION 5. Each such employee shall also receive a meal allowance of \$12.00 for each continuous ten (10) hour time period worked and \$6.00 for every four (4) hours continuously worked thereafter.

SECTION 6. The employees shall not be limited as to outside employment; provided, however, that no such outside employment shall be engaged in which in any way interferes with the employee's duties as an employee of the Township, or which, in the judgment of the Administrator, creates a possible conflict of interest; and provided further that no employee shall refuse overtime work ordered by his Department Head or the Administrator for the reason of having to attend an outside job.

ARTICLE 3 - HOLIDAYS

SECTION 1. The following shall be recognized holidays for which each employee will be paid (7) seven hours at straight time rate.

- 1) New Years Day
- 2) Martin Luther King's Birthday
- 3) President's Day Monday
- 4) Good Friday
- 5) Memorial Day
- 6) Fourth of July
- 7) Labor Day
- 8) Columbus Day
- 9) General Election Day
- 10) Veteran's Day
- 11) Thanksgiving Day
- 12) Thanksgiving Friday
- 13) Christmas Day

SECTION 2. In the event a holiday named in this contract falls during an employee's vacation period, such employee shall receive an additional days' vacation.

SECTION 3. If any of the holidays enumerated in Section I falls on a Saturday, said

holiday shall be celebrated on the preceding Friday; if any of the enumerated holidays falls on a Sunday, said holiday shall be celebrated on the following Monday.

ARTICLE 4 - PAID TIME OFF

SECTION 1. Employees begin accruing paid time off (Vacation, Personal days and Sick days) from the date of the employee's permanent hire with the Township. During the first three months of employment (their probationary period), an employee may not utilize paid time off.

SECTION 2. – Accrual of Paid Time Off

(A) The vacation accrual schedule for all employees covered under this collective bargaining agreement will be as follows:

- 1) 1 to 5 years of service - 12 days' vacation with pay
- 2) 5 years to 10 years of service - 15 days' vacation with pay
- 3) 10 years to 20 years of service - 20 days' vacation with pay
- Over 20 years of service - 20 days' vacation with pay plus one day of vacation with pay for each year over 20 years of service to a maximum of 30 days

(B) Employees are granted and accrue personal days as follows:

- 1) One (1) personal day per year after they have been permanently employed with the Township for four years.
- 2) Three (3) personal days per year (accrued one every four months) after they have been permanently employed with the Township for five years.

(C) In the first calendar year of employment, employees will earn one (1) day of sick leave with pay for each month of service. Employees will be credited with fifteen (15) days of sick leave with pay for each calendar year thereafter.

(D) Per Diem Employees will accrue sick, personal and vacation time in proportion to the equivalent hourly accrual rate of such time by full time employees as opposed to having such time awarded at the beginning of the calendar year.

SECTION 3 – Utilization of Paid Time Off

(A) As time off must be scheduled in accordance with the work requirements of the Township, vacation and personal time should be requested and approved as far in advance as possible of the scheduled time off. At management's discretion, however, vacation and personal time may be approved for use at any time. Senior employees shall be given preference within their classification, and where consistent with work schedules, when selecting vacation periods. All use of vacation and personal time off is subject to

Management's prior approval which shall be based upon the work requirements of the Township, but such permission will not be withheld unreasonably or unfairly.

(B) For the purpose of vacation planning, a Department Head may authorize an employee to utilize more vacation time than they have currently accrued. However, the employee must understand that in such an instance that if they leave Township employment prior to accruing any vacation time they have used in this manner, that any days "owed" will be deducted from their final pay check.

(C) An Employee calling in sick should do so as soon as possible. They should speak to their supervisor, their Division Head, their Department Head, or the department time keeper to inform them of their illness or the illness of their family member. They should speak to someone in person and not leave a phone message. An Employee utilizing a sick day for a doctor's appointment should let their supervisor know as far in advance as possible. The utilizing of sick time is still subject to the approval of an appropriate supervisor.

SECTION 4. Any employee eligible for vacation, whose employment has terminated for any reason other than disciplinary, shall nevertheless receive in their final paycheck, pay for all vacation time accrued upon their departure.

SECTION 7. Personal days may not be accumulated from year to year, but must be used in the year they are earned and will not under any circumstances, carry over into the next calendar year. Personal days can be "called in" without advanced notice and approval.

SECTION 8. Under NJ State statute vacation time may be accumulated from one calendar year into the next, however, the total may never exceed the equivalent of two (2) calendar years of accrued vacation time. Vacation time accrues on a monthly basis and the Township will delete vacation time that accrues above the cap set by state statute. For example, an employee who receives 15 vacation days a year, may carryover only 15 days to the next year. An employee who receives 20 vacation days a year, may carryover only 20 days to the next year. Any unused vacation days above the statutory allowance will be deleted.

SECTION 9. The Township may require proof of illness or injury when there is a reason to believe that an employee is abusing sick leave; an employee has utilized a sick day for a day for which permission to use a vacation or personal day has been denied; an employee has been absent on sick leave for three or more consecutive work days; or an employee has been absent on sick leave for an aggregate of more than 15 days in a 12-month period. Abuse of sick leave can subject an employee to disciplinary action.

SECTION 10 – Compensatory Time

(A) Accrued compensatory time shall be defined as earned/working time, and shall be

paid by the Township to the employee's estate in the event of the death of the employee.

(B) The Township, in its sole discretion, may elect to offer employees Compensatory Time in lieu of overtime pay. The employee, in his/her sole discretion, may elect to accept the Comp Time offered or be paid the applicable overtime rate. In addition, when working overtime, an employee may opt to take that overtime as compensatory time, accruing up to and being able to keep up to 40 hours of comp time in total.

(C) Compensatory Time shall accrue at the applicable overtime rate. (E.g. Regular overtime = time and one-half Compensatory Time. Double time = double Compensatory Time.)

(D) Compensatory Time earned should be scheduled and used within sixty days of accrual. The Township reserves the right to pay out any unused Comp time at any time.

(E) Comp time earned within thirty days of the end of the calendar year may be carried into the succeeding year.

SECTION 11. Employees hired prior to 6/1/01 may accumulate a maximum of 150 sick days. However, those employees who had accrued more than 150 sick days as of January 2, 1992 are capped at the number accrued as of that date, if higher than 150.

Employees hired after 6/1/01 may accumulate a maximum of 75 sick days.

For those employees who are capped at a higher number and use a portion of those days because of illness or injury, they may re-accumulate days until they reach their capped number.

Effective 2006, an employee may accumulate above their current "cap number" an additional 30 days of sick time for the sole purpose as a sick time benefit when sick. No payment or use of these additional 30 days will be made at retirement or for cash on an annual basis. Employees choosing to increase their "cap" under this method must notify the Township by December 1, 2005 for implementation in 2006 (and December 1 for subsequent years). Once an employee chooses this additional 30 day option, they cannot opt out.

As of the end of each November, an employee (hired prior to May 21, 2010) who has reached the 150 or 75 day maximum (or is at his/her capped number) will be paid for any of the unused 15 sick days earned in that year at a 50% rate. This amount will be paid before the end of that year and will be included as regular salary for tax purposes. If an employee at "cap" uses less than 5 sick days in a year, the employee will be paid at a 75% rate instead of the 50% rate. Employees hired before 6/1/2001 who have at least 75 days accrued may elect to be paid in accordance with the above for days earned in that calendar

year.

ARTICLE 5 - DEATH IN FAMILY

SECTION 1.

(A) In case of death in the family, an employee shall be granted three days off with pay for the purpose of mourning.

(B) "Family" is hereby defined to include relatives by blood, by law, by custom and by extended family relationship. This benefit shall normally only be able to be utilized up to twice per year, but Township Administration may grant additional leave in extraordinary circumstances.

ARTICLE 6 - SENIORITY AND PROMOTIONS

SECTION 1. In accordance with NJ Civil Service Commission regulation, newly hired laborers employees shall be considered to be on probation for a period of ninety (90) days. Such employees may, during their probationary period, be terminated at any time during said period without recourse whatsoever. Upon completion of the probationary period, such employee's seniority shall be effective as of the original date of permanent employment.

SECTION 2. All seniority and employee security shall conform to and comply with the applicable statutes and regulations of the New Jersey Civil Service Commission. In the event of layoff, seniority shall prevail consistent with DOP regulations.

SECTION 3. Seniority shall mean the length of continuous permanent service with the Township employer, regardless of capacity or department.

SECTION 4. It shall be the Township's policy to place promotions on the basis of the employee's ability, fitness (including the employee's work history), seniority, and state Civil Service certification. It is the intention of the Township to fill vacancies from within the department before hiring new employees, provided employees are available with the necessary qualifications, ability, passing grades and certifications to fill the vacancy. Any dispute arising under this section is to be subject to the grievance machinery.

SECTION 5. One (1) steward shall have, during the respective periods in such capacity, top seniority, except for promotion purposes, and after his periods of service, he shall have a

ARTICLE 8 NON-DISCRIMINATION

The Township agrees that it will not discriminate against an employee because of his activities as a member of the Union. There shall be no discrimination against any employee because of his race, color, religious creed, national origin, political affiliation, sex or Union affiliation.

ARTICLE 9 - MAINTENANCE OF EXISTING CONDITIONS

A uniform set of working rules and regulations shall be adopted by all Department Heads and Supervisors, and such written rules and regulations shall be distributed to all employees. It is the intent of the Township and the employee that any presently existing working conditions are to remain in full force and effect except as specifically modified by this agreement.

ARTICLE 10 - GRIEVANCE MACHINERY

To provide for the expeditious and mutually satisfactory settlement of grievances arising with respect to the interpretation or application of this Agreement, the following procedures shall be followed:

SECTION 1. It is hereby agreed that the Township has the right to discipline for just cause. The Township agrees to advise the Union of any such discipline and the reason therefore at the time of such action. Such discipline shall conform to State Civil Service Commission procedures.

SECTION 2. Any aggrieved employee shall present his grievance within seven (7) working days of its occurrence or such grievance will be deemed waived by the Union and the employee.

SECTION 3. In the event of a grievance, the steps hereinafter shall be followed:

Step 1. An employee with a grievance shall first discuss the matter with his immediate supervisor, whether directly or through the designated representative of the Union for the purpose of resolving the matter informally.

Step 2. If the aggrieved party is not satisfied with the disposition at Step 1, or if no decision has been rendered within five (5) working days after presentation of that grievance, he may file a written grievance within five (5) working days to his Department Head, or in his absence a designated representative of that Department, and a copy to the Township

normal seniority status with respect to layoff and recall.

SECTION 6. An employee shall lose all seniority rights for any one or more of the following reasons:

- A) Voluntary resignation.
- B) Discharge for just cause.
- C) Failure to return to work within five (5) working days after being recalled by registered or certified mail, return receipt requested, unless due to actual illness or accident. The Township may require substantiating proof of illness or accident in such manner and on such forms as the Township deems appropriate.

SECTION 7. Notice of all job vacancies shall be posted on all bulletin boards within the department. Said notice shall include projected starting salary or the wage range for the position.

SECTION 8. In accordance with NJ Civil Service Commission regulation, the Township, upon recalling, shall do so in the inverse order of the layoff. He shall recall the last employee laid off, providing, however, that such employee has the qualifications for the position for which he is recalled. Under no circumstances shall the Township hire from the open market while employees on the recall list, qualified to perform the duties of the vacant position, are ready, willing and able to be re-employed. The last employee laid off from a position will be the first recalled to that position.

SECTION 9. An employee recalled and reinstated to his former position shall receive his former rate of pay or the minimum current wage for his position, whichever is higher.

SECTION 10. Whenever the Township advertises for a position or receives notices of the job vacancies or job promotions for department or inter-department positions, the Township personnel officer shall provide all Department Heads with said information, and the Department Head shall post said notices. The Township personnel officer will also give notice to the Union President.

ARTICLE 7 - BULLETIN BOARDS

Bulletin boards will be made available to the Union and the Township for the purpose of posting Union notices relating to meetings, dues, entertainment, health and safety, and general Union activities.

All certification of eligibility tests, either entrance or promotional, relating to any title or classification represented by the Union shall be posted on said bulletin board.

Administrator. A decision thereon shall be rendered in writing by the Department Head, or his representative, within seven (7) working days.

Step 3. If the aggrieved party is not satisfied with the disposition at Step 2, the matter may then be referred in writing within five (5) working days by the representative of the Union to the Township Administrator. A meeting on the grievance may be held. The Administrator shall render a written decision within fifteen (15) working days of the referral.

Step 4. Either the Union or the Township may, within twenty (20) days of the Administrator's decision may request in writing the Public Employees Relations commission to appoint an arbitrator who shall have full power to hear and determine the dispute, and the arbitrator's decision shall be final and binding on all parties. The arbitrator's fees shall be shared equally by the Union and Township. The arbitrator shall have no authority to change, modify, or amend the provisions of this Agreement.

SECTION 4. (a) A grievance within the meaning of this Agreement shall be limited to any matter of wages, hours, working conditions, discrimination against any employee represented by the Union because of his race, age, color, sex, religious creed, national origin, political affiliation, or Union affiliation, or any dispute involving interpretation or application of this Agreement.

(b) The time limit specified in the Grievance Procedure shall be the maximum. However, these may be extended upon mutual agreement by the parties.

(c) A grievance affecting a group of employees under this Agreement may be submitted by the Union on behalf of said named group at Step 3 of the grievance procedure.

(d) Nothing herein shall be construed to deny to any employee their rights under the Civil Service Act, N.J.S.A. 11A:1-1,

»q.

SECTION 5. It shall be the intentions of the parties to settle all differences between the Township and the Union through the grievance procedures of this Agreement. Therefore, the Township agrees that it will not lock out its employees and the Union agrees that it will not strike, slow-down, or cause a slow-down or engage in any work stoppage or other job action during the term of this Agreement. Any employee who violates the terms of this section shall be subject to discharge.

ARTICLE 11 - JURY DUTY

An employee called for jury duty will be excused from work for the period actually in attendance at court and will be paid his regular daily earnings for such time as he is required

to be in attendance at court.

ARTICLE 12 - Wages

- Section 1. Effective January 1, 2021 there will be no increase in the salary guide. Each member on a step will receive their step increase.
- Section 2. Effective July 1, 2022 all employees will receive a 5.25% pay increase as the salary guide will be increased by that amount. But there will be no step movement. Fulltime employees off the guide and permanent part time employees will receive a 5.25% increase.
- Section 3. Effective January 1, 2023 all employees will receive a 3.00% pay increase as the salary guide will be increased by that amount. But there will be no step movement. Fulltime employees off the guide and permanent part time employees will receive a 3.00% increase.
- Section 4. Effective January 1, 2024 all employees will receive a 3.00% pay increase as the salary guide will be increased by that amount. But there will be no step movement. Fulltime employees off the guide and permanent part time employees will receive a 3.00% increase.
- Section 5. Effective January 1, 2025, the entire step guide will be increased by 1.25% and each member of this unit will be advanced one "step" on said guide. Those employees not on a step (generally part timers) and those already at the top step in the salary guide will receive a 3.00% increase in their base salary effective that same date.
- Section 6. Employees promoted to a title in a higher grade or temporarily assigned out of title work to a position in a higher grade, will be paid at the step in the higher title at the same step they are at in their existing title, or at a step which will represent at least a 5% increase over their current salary.

Article 13 - Longevity

- Section 1. SECTION 1. In addition to the wage increase in Article 14, employees hired prior to 6/1/01 shall receive a longevity bonus for each of the contract years in accordance with the following schedule:
- A) After 5 years of service - 3% salary
 - B) After 10 years of service - 4% of salary
 - C) After 15 years of service - 5 1/2%
 - D) After 20 years of service - 7% of salary

Section 2. Employees hired after 6/1/01 will be paid a flat dollar amount longevity bonus in accordance with the following schedule:

After 5 years of service - \$750
After 10 years of service - \$1,000
After 15 years of service - \$1,250
After 20 years of service - \$1,500

Section 3. Longevity pay for a calendar year will be spread over the pay periods of the employees during that year. Service for longevity purposes shall be calculated from the date an employee is appointed to a full-time provisional or permanent position. However, a provisional or permanent employee who has continuous service from a temporary full-time appointment shall have his/her longevity calculated from the date of the temporary appointment. Time in the employ of the Employer, regardless of department or division, shall be counted. Eligible employees shall qualify for longevity increment on the date of anniversary of his/her employment.

Section 4. Employees hired into this unit after February 16, 2016 will NOT be eligible for longevity at any time during their employment with the Township.

ARTICLE 14 - Medical, Prescription and Dental Insurance

Section 1.

(A) The Township will provide, in accordance with New Jersey State Law regarding municipal employee health insurance contributions, health insurance coverage as described in general terms herein to cover full family responsibilities including husbands and wives of the employee and the children of employees below the age of 26 years (as required by and in accordance with federal law), if said children are dependents and otherwise qualify.

(B) For all full-time permanent employees the Township will provide a Point of Service (POS) plan as well as an HMO Plan with lower contribution premiums. Both plans are described and contained under separate cover, and will not be substantially altered without the express consent and after consultation with the bargaining unit. Co-Pays shall be set at \$10.00 for primary care office visit and \$20.00 for specialist care office visit.

(C) All members of this unit currently enrolled in the Point of Purchase (PPO) Plan will be moved to the POS Plan effective the 1st of the month following the ratification of this agreement. Any members so moved will have a standard six month transition of care from former providers, if any, as needed to complete the transition from the PPO plan to the POS plan.

(D) Employees may in the future choose to switch from POS to HMO coverage (and vice versa) during the open enrollment period which is from November 15 through December 15 annually with an effective date of January 1. Normal change in status, called a "qualifying event," i.e. marriage or birth of a child, is not required in order to change coverage during this open enrollment period, but is required at any other time during the coverage year.

(E) Employee contributions to healthcare will be based upon the annual COBRA rates for coverage under the Township's policies and the attached Contribution Percentage Chart, which reflects state law for Year Four of required employee contributions or 1.5% of their salary whichever is greater.

Section 2. The Township will provide, in accordance with New Jersey State Law regarding municipal employee health insurance contributions, dental insurance coverage with benefits substantially similar or better to that which is currently in effect.

Section 3. The Township shall provide, in accordance with New Jersey State Law regarding municipal employee health insurance contributions, a \$15.00 co-pay prescription plan for non-generic drugs and a \$5.00 co-pay prescription plan for generic drugs, if attending physician approves. Said Plan shall include a mail order component with a \$30.00 brand name and \$10.00 generic co-pay for 90 day supply. The Township will also offer a more restrictive, lower cost prescription plans, if practicable.

Section 4. All employee members of this unit hired after January 1, 2016 will be restricted to either the POS plan or the HMO plan and the lower cost prescription plan (currently called Benecard 2) when they become eligible for benefits.

Section 5. The Township may change insurance carriers, at its option, provided substantially similar benefits are provided. The Township will notify the union as early as possible of change in insurance carriers.

Section 6. All employees may purchase enhanced dental coverage and/or vision coverage, and will be given the option to purchase same through pre-tax payroll deductions.

Section 7. Upon the death of a covered employee, any dependents who are eligible for coverage under the Township plans will be offered the ability to continue such coverage under COBRA as directed by law. The Township will offer Medical Coverage under the rules of the Federal COBRA law to the spouse of any employee who dies. The surviving spouse of an eligible employee or retiree will have his/her COBRA medical and prescription premiums paid by the Township for the 18 months immediately following the death of the employee/retiree.

Section 8. Under the federal Affordable Care Act, the IRS may, at some point in the future,

levy what is called a "Cadillac Tax" on certain provided health insurance plans. If the proposed Cadillac tax becomes effective in 2018 or at any time during the term of this contract, the parties agree to reopen the contract on the subject of health insurance to discuss the impact of the Cadillac tax and employee contributions only. All terms and conditions of the contract shall continue in full force and affect unless and until, and regardless of what, if any, mutually agreeable changes result from said discussions pertaining to health insurance.

ARTICLE 15 - APPLICATION OF SENIORITY

Seniority shall prevail in all work assignments in each classification. When there are more employees in each classification than are required, the more senior employees in this classification shall be assigned to perform the duties required, and the less senior shall be assigned other duties.

Where an employee has no work to perform in his respective classification, he may be required to work in another classification, and said assignment shall be on a seniority basis to that classification in which there is available work, but there shall be no change in said employee's rate of pay except as noted below. When overtime is required, or work is required on any premium day, such work shall be rotated among qualified employees on a seniority basis. Employees working in a higher title for 15 or more days will receive the higher title salary retroactively to the start of the higher title assignment.

Article 16 - Disability and Worker's Compensation

Section 1. The Township will provide to the employees the State Disability Plan as set forth in the Temporary Disability Benefits Law, N.J.S.A. 43:21-25, et seq. Employer and Employee Contributions to the Disability Plan shall be made in accordance with the applicable provisions of N.J.S.A. 43:21-7 et seq.

Section 2. As to Workers Compensation, the Township will henceforth pay compensation only in accord with the standards and provisions of the New Jersey Workers Compensation laws as to the terms and amount of payments for employees injured on the job.

Section 3. An employee who is unable to work due to an on the job injury and is being paid a worker's compensation wage replacement benefit is responsible to be present and available for any and all doctor's appointments, evaluations, physical therapy session, consultations and the like. These employees are not authorized to be working for another employer during such periods of temporary disability, and should not leave the area for an

extended period of time unless approved in advance by the Township.

ARTICLE 17 - SAFETY

All complaints regarding an employee's safety shall be handled through the grievance machinery. The Union and Township will establish a joint safety committee which will meet at least every two months to discuss safety issues and make recommendations as necessary.

ARTICLE 18 - MANAGEMENT RIGHTS

SECTION 1. The Township retains the right to manage and control its facilities, and in addition, retains the right to hire, promote, transfer, discipline, or discharge employee for just cause.

SECTION 2. Nothing in this article shall be interpreted to deprive an employee of rights guaranteed to him by Federal or State Laws, and all rights enumerated in this Agreement.

SECTION 3. The parties agree that the right to make reasonable rules and regulations shall be considered and acknowledged as the function of the Township except as such right may be specifically modified by the terms of this Agreement.

SECTION 4. The Township has the right to have periodic performance evaluations and meet with the employee for the purpose of evaluating the employee's work performance. The Township will consult with the Union in establishing this performance evaluation process.

ARTICLE 19 - APPLICABLE LAWS

SECTION 1. Nothing herein shall abrogate or in any way modify any of the rules or procedures of the New Jersey State Department of Civil Service, or the provisions of this Agreement to that extent shall be null and void.

SECTION 2. The provisions of this Agreement shall be subject to and subordinate to and shall not annul or modify applicable provisions of Federal, State and Local laws.

Article 20 - Uniforms

SECTION 1. The Township will provide all Parking Enforcement Officers with a uniform maintenance allowance of \$600 per year.

SECTION 2. The Township shall provide the Field Inspectors with a yearly shoe money allowance of \$150.00.

SECTION 3. Animal Control Officers shall receive a yearly clothing allowance of \$400.

SECTION 4. Fire Prevention Specialists shall have their fire protective gear purchased utilizing Township purchase orders, but for their everyday uniforms receive a yearly clothing allowance of \$400.

SECTION 5. All of the above clothing allowances shall be paid to the employee on the second payday in January in each of the contract years.

SECTION 6. All employees receiving a clothing allowance will be expected to adhere to Township Policy regarding uniform and appearance.

Article 21 – Mileage Reimbursement

Township policy prohibits the utilization of personal vehicles for Township business without the express written permission of the Administrator or other senior management. When such permission is granted the employee utilizing their personal vehicle for Township business will be reimbursed at the current federal mileage reimbursement allowance rate.

ARTICLE 22 - SAVINGS CLAUSE

Should any part or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation, or any decree of a court of competent jurisdiction, such invalidation of such part or portion of this agreement shall not invalidate the remaining portion thereof.

Article 23 - Retirement

Section 1. "Retirement" for the purposes of this article, shall mean the termination of employment by a Township employee who is eligible for, and has applied for, a pension from the State of New Jersey Public Employee's Retirement System (PERS).

Section 2. – Sick Time Payout

(A) An employee who retires with at least twenty (20) years of full time active service

with the Township will receive an accrued sick time bonus payout of no more than \$15,000.

(B) For those employees, who, by January 1, 2016 had accrued and payable sick time equal to more than \$15,000, that amount - in dollars - that they were owed as of that date will be "capped" at that amount and that amount will be the most that they could be paid out for accrued sick time upon retirement.

(C) If they should subsequently utilize sick time in a manner that reduces the value of said sick time below the January 1, 2016 cap, but still above \$15,000 cap, they will be capped at this new, lower amount and will not be able to return to their January 1, 2016 amount. (Note that employees hired after May 21, 2010 are capped by statute to a total of \$15,000.)

(D) Should any employee who had a "cap" beyond \$15,000 utilize their accrued sick time in a manner that reduced the value of that sick time below \$15,000, thereafter their accrued sick time bonus payout will be capped at \$15,000.

Additionally, an employee who retires with at least 20 years of service shall receive at the time of retirement payment at the rate of one day per year of Township employment for Loyalty Service Days, except as follows:

- a. Loyalty days owed to members of this union are frozen effective December 31, 2016 for all current members.
- b. No employee hired after the ratification of this contract will be eligible for payment of Loyalty days upon their retirement.

If an employee with at least 20 years Township employment chooses to retire on a specific date upon written notice to the Township and application to PERS, he may upon written notice to the Township of the intended retirement, cease active work prior to that date by subtracting from the number of working days remaining until the given retirement date the total number of the employee's unused accumulated sick days [up to the equivalent dollar amount of their sick time payout cap as noted in this section, in paragraphs (A) through(D)]and utilize those accumulated sick days as paid terminal leave. Should an employee, at the time of his retirement, have accumulated but unused sick leave, he shall be paid at the rate of 100% of the sick leave accumulated [up to the sick time payout cap as noted in this section, in paragraphs (A) through(D)], provided however the employee has twenty (20) years or more Township employment and separation is of a voluntary nature. Upon said retirement and provided the employee has not previously used and/or applied his remaining accumulated sick leave, the employee shall be paid for his accumulated sick leave at the same rate of pay as he was earning at the time of his cessation of active work. The employee shall give written notice to the Township of the intention to retire prior to January 1st of the effective year. Upon failure to give the required written notice in time, the Township shall not be obligated to make payment until the second pay day after the budget

for that year has been adopted.

If a retiring employee with 20 years Township employment utilizes accumulated time as terminal leave, the employee shall not earn any additional sick days, holidays, personal, and vacation days while an employee is running out accumulated earned time pursuant to Section 2. Upon ceasing active work on retirement or terminal leave, after 20 years' service, that employee shall accrue, earn, and be paid for sick days, holidays, personal days and vacation days for that year on a quarterly pro-rata Basis.. For example, if an employee ceases active work or retires during the first quarter from January 1 through March 31st the employee shall accrue twenty five (25%) percent of the total above days to be accrued in that year; if the employee ceases work or retires during the second quarter between April 1 through June 30, then the employee shall accrue fifty (50%) percent of the above days; if during the third quarter of a year from July 1 through September 30th the employee shall accrue seventy five (75%) percent of the and if during the fourth quarter of a calendar year, the employee shall accrue one hundred (100%) percent of the above days.

Section 3. Upon the death of an employee, the employee's estate shall be entitled to and shall receive from the Township 100% of all accumulated and unused sick leave of the decedent at the same rate of pay decedent was earning at the time of death.

Section 4. Employees hired prior to 6/1/01 may accumulate a maximum of 150 sick days. However, those employees who had accrued more than 150 sick days as of January 2, 1992, are capped at the number accrued as of that date, if higher than 150.

Employees hired after 6/1/01 may accumulate a maximum of 75 sick days.

For those employees who are capped at a higher number and use a portion of those days because of illness or injury, they may re-accumulate days until they reach their capped number.

As of the end of each November, an employee who has reached the 150 or 75 day maximum (or is at his/her capped number) will be paid for any of the unused 15 sick days earned in that year at a 50% rate. This amount will be paid before the end of that year and will be included as regular salary for tax purposes. If an employee at "cap" uses less than 5 sick days in a year, the employee will be paid at a 75% rate instead of the 50% rate. Employees hired before 12/31/2001 who have at least 75 days accrued may elect to be paid in accordance with the above for days earned in that calendar year. (Note that any employee hired after May 21, 2010 is not eligible for this benefit.)

SECTION 5. – Healthcare in Retirement

Upon retirement by an employee after twenty-five (25) years of full time Township employment and upon such employee collecting pension benefits, or upon retirement of an employee who has attained the age of sixty-two (62) years and with fifteen (15) years of full time Township employment, an employee shall have his or her medical and health insurance coverage paid in full by the Township except as required by state statute regarding healthcare contributions in retirement, until such time as such employee attains the age of sixty-five (65) years. Such employee, at age sixty-five (65) years and thereafter, and so long as the employee is covered by Medicare, shall continue to have the Township's coverage as "secondary coverage."

Section 5a. When calculating entitlement under this section, full time employees as of April 10, 2017 will receive credit for years of service as part time employees. Current part time employees will receive credit for one half of their part time service. However in no case shall a retiring employee be eligible to retire with health benefits unless at least one half of their time consists of full time service. Employees hired after ratification of this agreement will receive credit for full time service only.

SECTION 6. Subject to the terms set forth in Section 3, hereinafter, and while said employee is receiving said Retirement Medical and Health Benefits (as set forth in Section 1 of this Article), the employee's spouse who is not yet sixty-five (65) years of age shall have his or her medical and health insurance coverage paid in full by the Township except as required by state statute regarding healthcare contributions in retirement. Once the employee's spouse attains the age of sixty-five (65) years and so long as he or she is covered by Medicare, such spouse shall continue to have the Township's coverage as "secondary coverage."

SECTION 7. For employees hired after 1/1/95, SECTION 5 and SECTION 6 will apply, except that health insurance co-payment provisions under Article 17 for active service will apply during retirement, and that state law with regard to premium contributions shall also apply.

SECTION 8. The Township will offer Medical Coverage under the rules of the Federal C.O.B.R.A. law to the spouse of any employee who dies. The surviving spouse of an eligible employee or retiree will have his/her COBRA medical and prescription premiums paid by the Township for the 18 months immediately following the death of the employee/retiree.

SECTION 9. All retirees who retire after April 10, 2017 who are eligible for healthcare in retirement will receive the healthcare plan or plans, with appropriate co-pays and deductibles, if any, that active members of this unit have available to them.

ARTICLE 24 - UNION ACTIVITIES

SECTION 1. The Township agrees to allow Shop Stewards/Union Delegates the opportunity to attend Union sponsored lectures and seminars. No more than five (5) employees may attend any one (1) seminar or lecture. Employees may be allowed a maximum of four (4) days per year off from work with pay for the purpose of attending these lectures or seminars. No employee will be allowed to be off from work for any more than two (2) consecutive days; the total combined number of days off for Union members to attend Union sponsored lectures or seminars shall not exceed twenty (20) days.

SECTION 2. The employee must give the Township at least one (1) week's notice of his intention to attend a seminar or lecture. The attending of any of these seminars or lectures is at the employee's or Union expense. The Township is not responsible for any out-of-pocket expenses incurred by the employee.

SECTION 3. Shop Stewards shall be allowed a reasonable amount of time during working hours to attend to Union business, without loss of pay.

ARTICLE 25 – PART TIME EMPLOYEES

SECTION 1. Temporary or seasonal part-time employees are not covered by this agreement or entitled to any benefits of this contract, except where required by state or federal law.

SECTION 2. Regular part-time employees will, commencing nine months after hire date, be entitled to begin to utilize vacation, sick, personal and holiday benefits in accordance with the provisions of this contract and as required by state or federal law.

Section 3. Regular Part Time employees will be entitled to the general wage increases as specified in this contract.

Section 4. The Township will maintain a separate in-house file of part-time employees who have applied for full time employment. Such applications will be considered whenever an entry level full time position becomes available. Applications on file will be given preference in order of seniority. The Township will endeavor to fill entry level positions with interested part time employees before hiring from the outside. All openings remain subject to the posting procedures. Notice of openings and the successful applicant will be provided to the union for those positions covered by this contract.

Section 5. In place of the former accrual method, effective January 1, 2013, Part Time employees will earn Vacation, Sick, Holiday & Personal time in accordance with the schedules contained in this contract, but pro-rated on their average hourly work day as compared to a seven hour work day, and according to the number of days per week the Part Time employee works.

Section 6. Regular part-time employees are not entitled to other benefits in this contract or medical and health coverage.

ARTICLE 26 - TERMS OF AGREEMENT

SECTION 1. This agreement shall be effective as of January 1, 2015, and shall remain in full force and effect and expire on December 31, 2019.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed by their duly authorized officers, the day and year first above written.

LOCAL 1075, CWA AFL-CIO-CLC

Kevin P. Taurro
Dylan J. Williams

TOWNSHIP OF MIDDLETOWN

Vicki Higgins Keegan
Eric W. White

Anthony J. ...
Jan P. ...