

AGREEMENT

between

THE TOWNSHIP OF MIDDLETOWN

and

THE BLUE COLLAR EMPLOYEES
LOCAL 1034, BRANCH 4

CWA, AFL-CIO-CLC

January 1, 2005 through December 31, 2008

PREAMBLE

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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 "Employer", and CWA Local 1034, Branch 4, 60 Broad Street, Red Bank, N.J. 07701, 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 Blue Collar employees working in the Department of Public Works and in the Department of Parks and Recreation of the Township of Middletown; and

Whereas, the Employer, by virtue thereof, has recognized the said Union as the sole and exclusive bargaining agent for all regular full time and part time Blue Collar employees working in the Department of Public Works and in the Department of Parks and Recreation of the Township of Middletown; and

Whereas, the Employer 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 Employer, 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 Employer 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 Employer of its rights, responsibilities, and authority under federal, state, county, or local laws or regulations as they pertain to the Employer; and

Whereas, it is the intention of both the Employer 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 Employer hereby recognizes the Union as the representative of all regular Full Time and Part Time employees of the Department of Public Works and the Department of Parks and Recreation of the Township.

SECTION 2. The Employer 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 Employer agrees to deduct 85% of the dues assessed to each Union member from the wages of each unit employee who is not a member of the Union, as per N.J.S.A. 34:13A-5.5, and to remit the same to the Union.

SECTION 4. The Union agrees to file dues deduction authorization form with the Employer 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-seven and one half (37 1/2) 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 19) and the Employer agrees to make such assignments on a seniority basis.

The work week shall be from Monday through Friday. Normal hours of work shall be defined as 7:00 A.M. to 3:00 P.M. or 7:30 A.M. to 3:30 P.M., except for the Town Hall custodian, whose hours may be 8:00 a.m. to 4:00 p.m. All hours worked beyond seven and one-half hours in any one day or 37.5 per week, shall be paid at the rate of time and one half.

Saturday work shall be paid at the rate of time and one-half the hourly rate for all hours worked in excess of thirty-seven and one half 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 and one-half 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.

For purposes of computing overtime, all time in pay status (ie: vacation, sick, personal, etc.) shall be considered as hours actually worked.

SECTION 2. Lunch period for employees starting at 7:00 A.M. or 7:30 A.M. is to be 12:00 noon to 12:45 P.M., of which 30 minutes shall not be paid to the employee. 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 shall be paid for such break.

During extended work days during leaf or brush season, lunch will be a half hour from 12:00 noon to 12:30 p.m., with a paid 15 minute coffee break at 3:00 p.m.

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 either at his place of assignment or at the Township Garage, 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 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, 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. Employer has the right to utilize the employee for the three (3) hour working minimum.

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 twelve (12) hour time period worked and \$6.00 for every four (4) hours continuously worked thereafter.

SECTION 6. The Union and Township agree to discuss flex-time scheduling but no flex-time will be implemented without mutual agreement between Union and Township.

ARTICLE 3 - HOLIDAYS

SECTION 1. The following shall be recognized holidays for which each employee will be paid seven and one half 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 - VACATIONS AND PERSONAL DAYS

SECTION 1.

1. Employees hired prior to 1/1/95 (and employees hired between 1/1/95 and 12/31/01 who do not accept reduced dependent health insurance premiums from the Township) shall receive vacation with pay based on years of service in accordance with the following Schedule A:

- A) 1 to 5 years of service - 12 days vacation with pay
- B) 5 years 1 day to 10 years of service - 15 days vacation with pay
- C) 10 years 1 day to 20 years of service - 20 days vacation with pay
- D) 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

2. Employees hired after 12/31/01 shall receive vacation with pay based on years of service in accordance with the following schedule B:

- A) 1 to 5 years of service - 10 days vacation with pay
- B) 5 years 1 day to 10 years of service - 12 days

- vacation with pay
- C) 10 years 1 day to 20 years of service - 17 days
vacation with pay
- D) Over 20 years of service - 20 days (maximum)

3. Employees hired between 1/1/95 and 12/31/01 who have dependent health coverage will, effective 1/1/06 be subject to the following vacation schedule C:

	<u>2006</u>	<u>2007</u>
5 to 10 years	13 days	15 days
10 to 20 years	18 days	20 days
Over 20 years =	20 day maximum	

SECTION 2. Vacation time shall be determined from the date of employee's commencement of employment with Employer. An employee's pay check for his earned vacation shall be given to the employee prior to the start of his vacation, provided that a request for said pay check is made at least two (2) weeks prior to his vacation date.

SECTION 3. Senior employees shall be given preference with their classification, and where consistent with work schedules, when selecting vacation periods.

SECTION 4. Any employee eligible for vacation, whose employment has terminated for any reason other than disciplinary, shall nevertheless receive a pro-rated vacation pay for unused days.

SECTION 5. Vacation time may be accumulated for no more than two (2) calendar years. Calculation of the accumulation of vacation time shall commence on January 1st of the year immediately following the unused vacation day(s) for the preceding year. 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 or accumulated vacation day(s) shall be lost.

SECTION 6. Each employee hired prior to 12/31/01 shall be entitled to and may take three (3) days during the year as personal days off from work with pay for seven and a half hours at straight time.

Employees hired after 12/31/01 shall earn personal days as follows:

- A) One (1) personal day during the first 12 months of Township service
- B) Two (2) personal days during the second 12 months of Township service
- C) Three (3) personal days during the third 12 months of Township Service
- D) Three (3) personal days each year thereafter

At least two days prior to the desired personal day, except in the case of an emergency, the employee shall request from his/her Department Head or the employee's Supervisor, permission to take the desired day as a personal day. Permission shall not be unreasonably denied, subject however, to the following standards:

A) No personal day shall be granted for any day which immediately precedes or follows a three day holiday weekend, or any of the designated paid holidays set forth in this agreement.

B) No personal day shall be granted for any time during which, in the Director's opinion, the employee's presence on the job is indispensable to the performance of the department in relation to a particular ongoing activity.

C) In the event more than one employee desires a particular day as a personal day, the Department Head shall determine the maximum number of employees which can be granted the requested personal days without detrimentally affecting the operation of the department. Based on said determination the Department Head may grant the requested personal days at no more than that number of employees, and he shall deny all other requests. The granting of said request shall be made on a seniority basis.

D) In the event an employee's request for a personal day has been denied and the employee takes the requested day as a sick day after said denial, the employee shall, within two days following said absence, furnish to the Department Head a written medical report by a physician certifying the employee to have been ill. Failure to furnish said medical report shall subject the employee to disciplinary action by the Employer.

ARTICLE 5 - SICK LEAVE

SECTION 1. 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. During the first three months of employment, an employee may accumulate but not take paid sick leave.

SECTION 2. The employer may require proof of illness or injury when there is a reason to believe that an employee is abusing sick leave; an employee has been absent on sick leave for five 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.

SICK LEAVE ACCRUAL - TERMINAL LEAVE/RETIREMENT

SECTION 3. 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 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, 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.

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. For example, an employee who retires after 20 years shall be paid by the Township 20 Loyalty Service Days; if an employee retires after 21 years then he shall be paid 21 Loyalty Days, etc.

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 Article 5, Section 3. 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.

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 1/1/95 (and employees hired between 1/1/95 and 12/31/01 who do not accept reduced dependent health insurance from the Township) 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 12/31/01 (and employees hired after 1/1/95 who accept reduced dependent health insurance premiums from the Township) 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.

ARTICLE 6 - DEATH IN FAMILY

SECTION 1. In case of death in the immediate family, as hereinafter defined, an employee shall be granted four days off with pay for the purpose of attending burial or religious services. Payment shall be made for only such of the four days as are working days, and these days shall not be charged against sick leave.

Immediate family is hereby defined to include the spouse, child, step-child, mother and father of the employee.

SECTION 2. In the case of death of an employee's sister, brother, mother-in-law, father-in-law, step-mother, step-father, grandmother or grandfather an employee shall be granted three days off with pay for the purpose of attending burial or religious services as outlined in Section 1.

SECTION 3. In the case of death of an employee's sister-in-law, brother-in-law, aunt, uncle, niece, nephew an employee shall be granted one day off with pay for the purpose of attending the burial or religious services. At least one (1) day prior to the date of the funeral, the employee shall notify the Employer of his/her intention to attend the funeral.

ARTICLE 7 - SENIORITY AND PROMOTIONS

SECTION 1. Newly hired laborers 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 employment.

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

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

SECTION 4. It shall be the Employer's policy to place promotions on the basis of the employed's ability, fitness, seniority, and state Department of Personnel certification. It is the intention of the Employer to fill vacancies from within the department before hiring new employees, provided employees are available with the necessary qualifications and ability and passing grades 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 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 Employer may require substantiating proof of illness or accident in such manner and on such forms as the Employer deems appropriate.

SECTION 7. Notice of all job vacancies shall be posted on all bulletin boards within the department. Said notice shall include the wage range.

SECTION 8. The Employer, 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 Employer 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 8 - WORK CLOTHES

SECTION 1. The Employer will provide the following items on a turn-in basis to the mechanics/employees without cost:

- A) Work gloves as needed, subject to inspection and approval of the supervisor.

- B) Summer uniforms with short sleeves, which will be provided by the Employer between May 1 and October 1 of each year.
- C) Winter work clothes and hooded parkas are to be provided by the Employer between October 1 and April 30 of each year. Mechanics will also be entitled to the above.
- D) All employees will receive an annual allowance for shoes of \$150.00. The check in payment for such shoe allowance shall be made payable to the employee and shall be payable in a lump sum amount on the 4th Tuesday in January in each of the contract years.

SECTION 2. The Employer will provide all other employees with a Uniform Allowance of \$450 in 2005; \$500 in 2006; \$500 in 2007 and \$550 in 2008. The payment of such annual Uniform Allowance shall be made payable to the employee and paid on the 4th Tuesday in January in each of the contract years.

SECTION 3. In addition to the existing shoe allowance, if shoes are damaged to the extent of requiring replacement, the Township will assume the cost of one replacement for each 12 months up to a maximum of \$50 for each 12 month period. Damaged shoes must be presented in order to receive the replacement benefit.

SECTION 4. The Employer will provide newly hired employees, in their initial year or partial year of service, with the following items on a permanent basis without cost:

- A) Full uniforms consisting of five winter shirts, five summer shirts, five pairs of work pants and a winter jacket.
- B) Winter work shoes, are to be provided by the Employer. Work shoes must be steel-toed safety shoes. Checks shall be made payable to the newly hired employee. The employee, within five days of receipt of said check, shall render proof of purchase to the Director. Failure to do so within the specified term will result in reprimand or suspension.
- C) Summer work shoes, are to be provided by the Employer. Work shoes must be steel-toed safety shoes. Checks shall be made payable to the newly hired employee. The employee, within five days of receipt of said check, shall render proof of purchase to the Director. Failure to do so within the specified term will result in reprimand or suspension.
- D) After the initial year of employment, said newly hired employee shall be paid in accordance with the Uniform

Allowance specified in Section 2 above stated for the remaining years of this contract.

ARTICLE 9 - BULLETIN BOARDS

Bulletin boards will be made available to the Union and the Employer 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.

ARTICLE 10 - NON-DISCRIMINATION

The Employer 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 11 - 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 Employer 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 12 - GRIEVANCE PROCEDURE

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 Employer has the right to discipline for just cause. The Employer 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 Department of Personnel 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 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 Employer 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 Employer. The arbitrator shall have no authority to change, modify, or amend the provisions of this Agreement.

SECTION 5. (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, et seq.

SECTION 6. It shall be the intentions of the parties to settle all differences between the Employer and the Union through the grievance procedures of this Agreement. Therefore, the Employer 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 13 - 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 14 - WAGES

SECTION 1. Effective January 1, 2005 an increase of 3.60% shall be applied to the existing salary guide and/or existing salaries.

SECTION 2. Effective January 1, 2006 an increase of 3.65 shall be applied to the existing salary guide and/or existing salaries.

SECTION 3. Effective January 1, 2007 an increase of 3.65% shall be applied to the existing salary guide and/or existing salaries.

SECTION 4. Effective January 1, 2008 an increase of 3.85% shall be applied to the existing salary guide and/or existing salaries.

SECTION 5. All retroactive pay due and owing to each employee shall be paid in a lump sum payment to such employee by a separate check.

SECTION 6. All retroactive pay due and owing to each employee shall be paid in a lump sum payment to such employees by a separate check.

SECTION 7. Employees promoted to a title in a higher grade or temporarily assigned out-of-title work to a position in a higher grade in accordance with Article 19, will be paid at the step in the higher title that is above the next higher step in their existing title, which represents at least a 5% increase.

ARTICLE 15 - HEALTH & SAFETY

SECTION 1. The employer shall not require employees to take out on the streets or highways any vehicle that is not in safe operating condition or equipped with safety appliances prescribed by law. It shall not be a violation of this agreement where employees refuse to operate such equipment, unless such refusal is unjustified.

All equipment which is refused by an employee because it is not mechanically sound or properly equipped shall be appropriately tagged so that the tag is readily observable by other employees, and the tag shall remain thereon until the Maintenance Department has remedied the complaint. The Maintenance Department shall remove the tag upon correction, and the equipment shall thereupon be available for use.

Under no circumstances will an employee be required or assigned to engage in any activity involving dangerous conditions of work or danger to person or property or in violation of any applicable statute or court order, or in violation of government regulations relating to safety of person or equipment. The term "dangerous condition or work" does not relate to the type of cargo which is hauled or handled.

SECTION 2. Employees shall immediately, or at the end of their shifts, report all defects in equipment. Such reports shall be made on a suitable form furnished by the Employer, and shall be made in multiple copies, one (1) copy to be retained by the employee. Such reports shall be made out on company time. The employer shall not require any employee to take out equipment that has been reported by any other employee as in an unsafe operating condition until same has been approved as being safe by the Mechanical Department and the tag has been removed.

SECTION 3. All complaints regarding an employee's safety shall be handled through the grievance machinery. No employee shall be required to operate unsafe equipment, and further, the Employer shall not require an employee to operate any equipment that does not meet the safety requirements of the State of New Jersey.

SECTION 4. When in the opinion of the Director of Public Works safety conditions require, the Director shall assign both a driver and a laborer to certain pieces of equipment used for plowing snow. In all other cases, only a driver shall be assigned to each piece of equipment.

ARTICLE 16 - LONGEVITY

SECTION 1. In addition to the wage increase in Article 14, employees hired prior to 1/1/95 (and employees hired between 1/1/95 and 12/31/01 who do not accept reduced dependent health insurance from the Township) 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 1/1/95 who accept reduced dependent health insurance premiums from Township, shall have their future longevity frozen at their January 2, 2003 salary. For example, an employee earning \$30,000 on January 2, 2003 will have established longevity payments of \$900, 1200, 1680, and 2100 per above schedule in SECTION 1. Longevity payments will not increase with increases in base pay for these employees.

SECTION 3. Employees hired after 12/31/01 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 4. 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.

ARTICLE 17 - MEDICAL SURGICAL AND HEALTH PLANS

SECTION 1. The Employer will provide at no cost to all full-time permanent employees hired prior to January 1, 1995 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 employee below the age of 23 years, if said children are dependents and otherwise qualify.

For all full-time permanent employees hired after January 1, 1995, the employer will provide, at no cost to the employee, non-HMO single health insurance coverage as described in general terms herein to the employee only. These employees are eligible to purchase family coverage (including dental and prescription as outlined in Sections 2 and 3 below) through the Employer, and elect to have contributions as pre-tax payroll deductions.

Employee contributions for non-HMO health plan dependent coverage will be according to the following schedules:

NON-HMO EMPLOYEES OPTING FOR REDUCED COST DEPENDENT COVERAGE AND ALL EMPLOYEES HIRED AFTER 12/31/01 (INCLUDES SEPARATE SCHEDULE OF VACATION, TERMINAL LEAVE AND LONGEVITY)

MONTHLY PREMIUMS

	<u>HOSPITAL MAJOR MEDICAL</u>	<u>PRESCRIPTION PLAN</u>	<u>DENTAL</u>	<u>FULL COVERAGE</u>
EMPLOYEE	NO COST	NO COST	NO COST	NO COST
EMPLOYEE				

& SPOUSE	\$147	\$23	\$7	\$177
EMPLOYEE & CHILD (REN)	\$72	\$16	\$7 (\$17)	\$95 (\$105)
FAMILY	\$190	\$31	\$17	\$238

NON/HMO EMPLOYEES NOT OPTING FOR REDUCED COST DEPENDENT COVERAGE

MONTHLY PREMIUMS

	<u>HOSPITAL MAJOR MEDICAL</u>	<u>PRESCRIPTION PLAN</u>	<u>DENTAL</u>	<u>FULL COVERAGE</u>
EMPLOYEE	NO COST	NO COST	NO COST	NO COST
EMPLOYEE & SPOUSE	\$257	\$50	\$19	\$326
EMPLOYEE & CHILD (REN)	\$114	\$47	\$19 (\$50)	\$180 (\$211)
FAMILY	\$340	\$53	\$50	\$443

For all full time employees hired after January 1, 1995 who elect to be enrolled in the Township's available HMO plan, the Township will provide single and dependent HMO coverage at no cost to the employee effective January 1, 2006.

During the first year of this contract, employees notifying the Township by letter of intent to switch to the HMO plan, will have their non-HMO premiums forgiven anytime from 6/1/05 through 12/31/05 after notification is given to the Township. Because the date of ratification was subsequent to June 1, this will commence no sooner than the July 1, 2005 payroll.

Employees may in the future choose to switch from HMO to non-HMO coverage (and vice versa) during the open enrollment period of the month of December with an effective date of January 1. Normal change in status i.e. marriage or birth of a child is not required to be done during this open enrollment period.

SECTION 2. The Employer will provide at no cost to the employee, dental insurance coverage pursuant to the New Jersey Dental service Plan with benefits as follows:

- A) 100% preventative and diagnostic coverage
- B) 100% crown, inlays and gold restorations coverage
- C) 100% all remaining basic coverage

D) Orthodontic, periodontic, and prosthodontic benefits remain as-is.

SECTION 3. The Employer shall provide at no cost to the employee a \$6.00 co-pay prescription plan for non-generic drugs and a \$1.00 co-pay prescription plan for generic drugs, if attending physician approves. The \$6.00 co-pay will rise to \$10.00 effective 7/1/2005.

SECTION 4. The Employer may change insurance carriers, at its option, provided substantially similar benefits are provided. The employer will notify the union as early as possible of change in insurance carriers.

SECTION 5. Pursuant to authority in N.J.S.A. 40A:10-22, the Employer agrees to provide such benefits enumerated in Sections 1, 3, and 4 of this ARTICLE to all employees who have retired, as defined in ARTICLE 25 hereinafter.

SECTION 6. Employees voluntarily opting out of Township plans will be paid the following annual amounts in a lump-sum payment at the end of each calendar year:

\$3200 - Medical Plan
\$ 675 - Prescription Plan
\$ 225 - Dental Plan

Employees opting out of Township plans must provide proof of coverage from a source, other than the Township, to be paid the above amounts.

Employees who opt out of Township plans and subsequently lose their coverage, will with proof of loss of coverage, be able to re-enter the Township plan within 30 days.

SECTION 7. 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. These options will be made available as soon as the Township insurance carriers are able to commence the programs. The Union will be notified accordingly.

ARTICLE 18 - 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; provided, however, that if an employee is required to work three (3) consecutive days or more in a higher classification, he will be paid at the rate established for said classification.

Regular Road Department employees shall first be offered regular and overtime work before non-employees of the Department of Public Works are offered such work. However, this shall not apply to independent contractors employed from time to time by the Department, and the Director shall have freedom to make such at his discretion.

ARTICLE 19 - ASSIGNMENT OF OVERTIME

Overtime shall be assigned to the employees as follows:

SECTION 1. Weather-related overtime shall be assigned by use of an Overtime Schedule posted in the Township Garage by seniority. If an employee refuses to report to work his name will then go to the bottom of the priority list.

SECTION 2. Unique overtime shall be assigned on a rotating basis according to title. The assignment of such overtime shall be done by use of a list/chart which will be posted for Public Works in the DPW Garage and for Parks in the Parks Maintenance area. The overtime list shall be continually rotated. The order of the list shall not be changed. The last person worked shall be on the bottom of the list. If an employee is unavailable or refuses to report to work he shall be considered as having worked for rotation purposes.

SECTION 3. The provisions contained herein shall not apply to those employees who operate certain equipment which cannot be operated by any other employee. These employees shall be assigned overtime when the need for their services arises.

SECTION 4. The employer retains the discretion to assign employees unique overtime regardless of said employees's place on the rotation list if said Employer feels that the employee is necessary for the completion of the overtime assignment.

ARTICLE 20 - MANAGEMENT RIGHTS

SECTION 1. The Employer 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 Employer except as such right may be specifically modified by the terms of this Agreement.

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

ARTICLE 21 - 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 Personnel, 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 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, HEALTH AND MEDICAL BENEFITS

SECTION 1. Upon retirement by an employee hired prior to 1/1/95 after twenty-five (25) years of 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 Township employment, an employee shall have his or her medical and health insurance coverage paid in full by the Township, 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 be reimbursed by the Township for

all approved, eligible medical and health expenses (as defined by the Township approved Health Benefit Plan set forth in the Employee Health Plan Booklet) not paid by Medicare.

SECTION 2. 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. 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 be reimbursed by the Township for all approved, eligible medical and health expenses (as defined by the Township approved Health Benefit Plan set forth in the Employee Health Plan Booklet) not paid by Medicare.

SECTION 3. For employees hired after 1/1/95, SECTION 1 and SECTION 2 will apply, except that health insurance co-payment provisions under Article 17 for active service will apply during retirement.

SECTION 4. 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.

ARTICLE 24 - DISABILITY AND WORKERS COMPENSATION

The Employer 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.

As to Workers Compensation, effective January 1, 1996, the Employer 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.

ARTICLE 25 - UNION ACTIVITIES

SECTION 1. The Employer 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 Employer 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's expense. The Employer 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.

SECTION 4. The Business Agent or his representatives, or any officer of the Union, shall have admission to the Employer's premises at any time during working hours for the purposes of ascertaining whether this Agreement is being carried out in good faith or for the purpose of assisting in the adjustment of any grievance. No such representative, however, shall have the privilege of roaming about the premises, but shall first apply to the Department Head for permission to visit, which permission shall be reasonably granted; it being understood, however, that such representatives shall not in any way interfere with the operations of the municipal offices or shops during working hours, and this privilege shall be exercised as to keep at a minimum time lost thereby to the Employer.

ARTICLE 26 - 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.

SECTION 2. Regular part-time employees will, commencing nine months after hire date, be entitled to benefits of one (1) sick day and one (1) vacation day per month of service and holidays (if scheduled to work) and one (1) personal day per year, pro-rated on their average hourly work day as compared to a seven and one half hour work day.

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 Union Contract.

SECTION 5. Regular part-time employees are not entitled to other benefits in this contract or medical and health coverage.

ARTICLE 27 - COMPENSATORY TIME

Accrued compensatory time shall be defined as earned/working time, and shall be paid by the Employer to the employee's estate in the event of the death of the employee.

ARTICLE 28 - TERMS OF AGREEMENT

SECTION 1. This agreement shall be effective as of January 1, 2005, and shall remain in full force and effect and expire on December 31,2008.

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 1034, CWA

TOWNSHIP OF MIDDLETOWN

