

AGREEMENT

BETWEEN

TOWNSHIP OF MIDDLETOWN
SEWERAGE AUTHORITY

AND

COMMUNICATIONS WORKERS OF AMERICA,
LOCAL 1038

January 1st, 2013 through December 31, 2015

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Article I - Recognition

In accordance with the "Certification of Representative" of the Public Employment Relations Commission dated October 19, 1990 the Authority consistent with the N.J. Public Employment Relations Act recognizes the Communications Workers of America, Local 1038, as the exclusive collective bargaining agent in all matters pertaining to wages, hours of work and other terms and conditions of employment, consistent with the N.J. Public Employment Relations Act, for all full-time hourly and part-time hourly employees, employed by the Township of Middletown Sewerage Authority, but excluding all Professional Employees, craft employees, police employees, fire fighters, confidential employees, managerial executives, and supervisors and all other employees of the Township of Middletown within the meaning of the Act.

Article II - Union Security and Checkoff

The Authority, for each of its non-probationary employees in the bargaining unit who in writing, and in a form mutually agreed upon and consistent with the state law authorizes the Authority to do so, will deduct from the earnings payable to such employee, the monthly dues and initiation fees, if any, for such employee's membership in the Union. The Union shall not request or solicit the execution of the authorization form from any employee during work hours on the Authority's premises.

Such monies together with record of deductions and any corrections shall be transmitted to the Union office in a timely fashion. Such deductions may be made on a weekly basis, not to exceed four (4) times in any one month, however in no event shall the Authority be required to remit such monies to the Union office more than once in each calendar month.

If during the life of this agreement there shall be any change in the rate of membership dues, the Union shall furnish to the Authority, written notice thirty days prior to the effective date of such change. Such change shall not occur more than once per calendar year.

All non-probationary employees included in the bargaining unit who are not members of the union, shall be assessed regular membership dues and assessments available to or only benefiting its members, but in no event in excess of 85% of regular dues and assessments or otherwise in accordance with State Law. For all

non-probationary employees included in the bargaining unit who are not members of the Union, the Union shall certify to the Authority the amount of the assessment. The Union indemnifies and holds harmless the Authority for all amounts deducted pursuant to the Union's certification which are determined to be in excess of the amount permitted under State Law. The Union agrees to maintain at all times a demand and return system in accordance with the PERC Act (NJSA 34:13-5 ET SEQ.)

The amount of dues to be deducted will be certified to the Authority by the Secretary-Treasurer of the Union.

Subject to applicable law, any employee may at any time withdraw the above authorization by individual notice in writing, mailed by registered letter or personal delivery to the Authority.

Upon receipt of the withdrawal of Authorization, the Authority shall mail a copy of same by registered mail to the Union.

The withdrawal of Authorization shall become effective on the next January 1st or July 1st following the receipt of such withdrawal in conformance with NJSA 52:14-15.9 (E).

The Union shall have no right or interest whatsoever in any money authorized to be withheld until such money is actually withheld.

The Authority or any of its officers and employees shall not be liable for any reasonable delays in carrying out such deductions and upon forwarding a check in payment of such deductions by mail to the Union. The Authority's liability for

any error or delay in making and forwarding the deductions shall be limited to the amount of the deductions to which the Union is actually entitled. The Authority and its officers and employees shall be released from all liability to the employee and to the Union under the authorization form for the deductions.

The Authority's obligation to make and forward deductions pursuant to this Article shall be suspended during any strike or concerted work stoppage by the bargaining unit employees.

Article III - Union Representation

Subject to the terms and conditions set forth herein, the Authority shall permit the Union to have one (1) employee leave his job without pay to attend out-of-plant Union meetings or conventions for a total time of 32 hours per contract year. The employee may leave his job to attend out-of-plant union meetings or conventions pursuant to this provision if written notice of the meeting or convention is provided to the Authority by the Union five (5) days prior to the meeting or convention. The notice must provide the date and times the employee will be out of work. All such requests are subject to the approval of the Authority.

A duly authorized representative of the Union, designated in writing, after notice to the Executive Director or his designee shall be admitted during normal business hours to the premises for the purpose of ascertaining whether or not this agreement is being enforced and assisting in the adjustment of grievances. Upon request, the Union representative shall state the purpose of the visit. Such visits shall not be permitted to interfere with, hamper or obstruct normal operations. Upon entering Authority property for such a visit, the Union representative must first report to the Executive Director or his designee. The Union Representative shall also report to the Executive Director or his/her designee at the time of departure from the Authority property. The Authority reserves the right to decline entry to the Union Representative pursuant to this provision if such entry

will interrupt or interfere with the operation of the Authority. An escort may be provided at the discretion of the Executive Director or his/her designee.

Upon notification, to his/her supervisor and subject to the discretion and authorization of the Supervisor, a Shop Steward may leave his/her work at a reasonable time during working hours without loss of pay, with the understanding that such time will be reasonable and devoted solely to the proper handling of legitimate Union business.

Article IV - No Strike - No Lockout

A. It is recognized that the need for continued and uninterrupted operation of the Authority's departments and agencies is of paramount importance to the citizens of the community and that there should be no interference with such operation.

B. Adequate procedures having been provided for the equitable settlement of grievances arising out of this Agreement, the parties hereto agree for the term of this Agreement that there will not be, and that the Union, its officers, members, agents or principals, will not engage in, encourage, sanction or suggest, strikes, slowdowns, job actions, lockouts, mass resignations, absenteeism, or other similar action which would involve suspension of or interference with normal work performance.

C. The Authority shall have the right to discharge any employee encouraging or causing a strike, slowdown or other such interference or engaging in any of the conduct prohibited under paragraph B of this Article.

D. The Authority agrees that there will be no lockout of employees during the term of this agreement.

Article V - Hours of Work and Overtime

The regular work day for full-time non-clerical employees shall consist of eight (8) work hours (and an unpaid one-half hour for lunch as scheduled by the Authority) and the regular work week shall consist of five (5) consecutive days, as scheduled in the discretion of the Authority in accordance with the work schedule set forth below.

The Authority reserves the right to utilize any of the following work schedules: Sunday through Thursday, Monday through Friday and Tuesday through Saturday.

Employees hired after August 1, 1991 may be assigned permanently to any of the work schedules, and such employees permanently assigned shall not be involved in the rotation of these work schedules referred to below.

All other qualified employees within a classification shall rotate on a four month basis to fill work schedules as determined by the Authority.

At least one week prior to the implementation of a four month rotation for the work schedules, the Authority shall post the proposed rotation and request that any qualified employee interested in working a particular work schedule on a permanent basis indicate his or her desire to do so to the Executive Director. The Authority shall have no obligation to make assignments to particular work schedules from those employees who have shown interest in a permanent assignment to a work schedule.

The Authority reserves the right to make all decisions regarding the assignment of employees to different work schedules which, in its discretion, it deems to be in the best interests of the Authority. All decisions regarding the assignment to different work schedules made by the Authority cannot and will not be the subject of a grievance.

The regular work day for the full-time office clerical employees shall consist of seven and one-half (7 1/2) work hours (and an unpaid one hour for lunch as scheduled by the Authority).

The regular work week schedule for regular full-time clerical employees shall be Monday through Friday.

Regular full-time hourly employees shall have two (2) fifteen minute rest breaks as scheduled by the Authority during each work day.

Time and one-half of the non-clerical employee's regular straight time rate of pay will be paid as overtime pay for all hours worked in excess of eight hours per day and/or forty hours during the work week.

Time and one-half the clerical employee's regular straight time rate of pay will be paid as overtime pay for all hours worked in excess of seven and one-half hours per day and/or thirty seven and one-half hours during the work week.

Regular full-time employees on call for the weekend shall be compensated a total of sixteen (16) hours at time and one-half, or

will be paid for all hours actually worked at time and one-half, whichever is greater. This paragraph shall not apply to regular full-time non-clerical employees who are assigned to work on the Tuesday through Saturday or Sunday through Thursday work schedule.

On Monday, Tuesday, Wednesday and Thursday of each week, except on holidays, the Authority shall designate one operator assigned to collections to be on-call after normal daytime business hours. The designated employee shall receive a minimum of four (4) hours pay at time and one-half or will be paid for time actually worked at time and one-half, whichever is greater.

All work performed on holidays specified in this agreement will be compensated at time and one-half the employee's rate of pay, plus the holiday pay.

Overtime calculations pursuant to this Article shall not be reduced through utilization of earned paid time off as provided for in this agreement.

The Authority reserves the right to make and assign overtime work in the manner, in its discretion, it deems advisable. The Union recognizes and agrees that no employee is entitled to any minimum amount of overtime. Each supervisor will distribute regularly scheduled overtime assignments as fairly and equally as practicable among the employees in his/her area who are capable of performing the required work.

The Union's sole and exclusive remedy for the Authority's failure to distribute regularly scheduled overtime assignments as

fairly and equally as practicable shall be limited to adjustments made through subsequent assignments of regularly scheduled overtime. Emergency overtime assignments shall not be considered for determining the amount of regularly scheduled overtime under this paragraph.

Overtime work offered but declined shall be counted as overtime worked. Each employee may be required to work a reasonable amount of overtime.

Article VI - Call in Pay

Whenever an employee is called into work outside of his or her normal shift, he or she shall receive a minimum of three (3) hours work or pay at time and one-half.

Article VII - Shift Differential and CDL License Premium

All employees working the second shift shall receive an amount equal to 80 cents per hour during 2013, 2014 and 2015, which amounts shall be payable for all hours actually worked, including any overtime hours worked continuous with their shift. Such differential shall be applied at the flat rate of 80 cents for each hour actually worked in 2013, 2014 and 2015 and said flat rates shall not be compounded for overtime hours. Such differential shall be paid as "extra pay" in the employee's regular pay check.

All employees working the third shift shall receive an amount equal to 90 cents per hour during 2013, 2014 and 2015, which amounts shall be payable for all hours actually worked, including any overtime hours worked continuous with their shift. Such differential shall be applied at the flat rate of 90 cents for each hour actually worked in 2013, 2014 and 2015 and said flat rates shall not be compounded for overtime hours. Such differential shall be paid as "extra pay" in the employees regular pay check.

Shift differential shall not be paid for any hours not actually worked, including sick time, vacation, holidays or personal days.

CDL License Holders: All employees who possess a valid CDL license shall receive an amount equal to 35 cents per hour in 2013, 2014 and 2015, which amounts shall be payable for all hours

actually worked, including any overtime hours worked. This CDL license premium shall be applied at the flat rate of 35 cents for each hour actually worked in 2013, 2014 and 2015 and said flat rates shall not be compounded for overtime hours. Such premium shall be paid as "extra pay" in the employee's regular paycheck. This premium shall only be paid during times an employee actually holds a valid CDL license.

Article VIII - Seniority

Seniority is defined to mean the accumulated length of continuous service for regular full-time employees with the Authority computed from the last date of hire. Part-time employees do not accumulate seniority. An employee's length of service shall not be reduced by time lost due to authorized leave of absence, or absence for a bona fide illness or injury certified by a physician. An employee shall lose his seniority rights for any one of the following reasons:

1. If an employee quits.
2. If an employee is discharged for just cause.
3. If an employee does not return to work within 72 hours when recalled from layoff.
4. If an employee is laid off for a period of nine (9) consecutive months.
5. Absence for three consecutive working days without leave or notice to the Authority, unless employee can show that extenuating circumstances prevented such notice.
6. Accepting other employment when on a requested leave of absence.

The Authority and the Union agree that layoffs shall be based on the inverse order of seniority provided that the employees available possess the qualifications to perform the jobs required as a result of the layoff. As used herein the term

"qualifications" is intended to take into consideration such factors relating to job performance as skill, ability, job knowledge and experience.

Recall from layoff shall be effected on the basis of seniority, provided the employee to be recalled possesses the qualifications to perform the job for which recall is made. Employees to be recalled shall be notified by certified letter, return receipt requested, to the employee's address on record with the Authority. Such notice shall be complete upon mailing by the Authority. No new employee shall be hired by the Authority to a bargaining unit position until all laid off employees with seniority and qualifications have been offered the opportunity to return to work.

Article IX - Probationary Employees

New employees will be regarded as probationary for the first three (3) months of employment. The probationary period may be extended by mutual agreement of the parties.

The Authority shall have the right to discharge or discipline any such probationary employee for any reason whatsoever, without being challenged by the Union and without recourse to the grievance procedure under this agreement.

Article X - Job Openings and Promotions

Whenever job openings or newly-created jobs occur within the bargaining unit, the Authority shall post notice thereof for a period of three (3) working days in such place where employee notices are normally posted. Such posting shall set forth job classification, description, rate of pay, shift and requirements, if any. All employees who are interested in being considered for a posted job opening may advise the Executive Director in writing.

The Authority shall have no obligation to hire, promote or make transfers from those employees which have shown interest in a position in response to a posting.

The Authority reserves the right, and the Union agrees, that the Authority may make all hiring and promotional decisions which it, in its discretion, deems to be in the best interests of the Authority. All hiring decisions and decisions regarding job promotions made by the Authority cannot and will not be the subject of a grievance.

Article XI - Vacations

1. Vacations with pay shall be provided to eligible full-time regular employees who qualify for same. The vacation benefits shall be determined in accordance with the following schedule in each calendar year.

| Period of Continuous Employment | Amount of Vacation |
|--|--------------------|
| Up to six months employment | 0 days |
| After six months employment, provided date of hire precedes April 1, of a calendar year. | 5 days |
| After one (1) year employment, commencing with the date of hire. | 10 days |
| After five (5) years employment, commencing with the date of hire. | 16 days |
| After fifteen (15) years employment, commencing with the date of hire. | 21 days |
| After twenty-one (21) years employment, commencing with the date of hire. | 23 days |

(b) Vacation pay shall be at the employee's regular straight time rate of pay multiplied by 8 hours per day for non-clerical employees and 7 1/2 hours per day for clerical employees.

(c) In scheduling vacations, the Authority, wherever possible, will grant employee's preferences; provided, however, that the Authority shall have the right to schedule vacations so that they have a minimal adverse effect on the efficient operation

and management of the Authority's facility. If more than one employee in the same Department or on the same shift requests the same vacation dates, and the Authority determines that all such requests cannot be granted, vacation requests will be granted according to seniority.

(d) Employees must request their desired vacation time by March 1st of each year of the contract. Such requests shall be in writing, directed to the Executive Director. All but five (5) days of an employee's vacation entitlement are to be taken in five (5) day increments. Requests for vacation in less than five (5) day increments shall be made at least 48 hours in advance. All such requests shall be subject to the approval of the Supervisor.

(e) In the event an eligible employee is laid off for any period during his/her vacation year, he/she shall receive a pro-rated vacation benefit computed on a monthly basis for any period he/she worked during a vacation year.

(f) In the event an eligible employee's services are terminated for any reason, or if the employee quits, he/she shall be entitled to any unused, pro-rata vacation benefits which have accrued during the vacation year, provided, however, that in the case of a quit, not less than two (2) weeks prior written notice of resignation is given to the Authority. In the event of the death of an employee, his/her personal representative shall receive his/her accrued pro-rata vacation benefits and upon submission of proper instrument or authority. In the event of the

retirement of an employee, he/she shall receive his/her accrued pro-rata vacation benefit up to the date of retirement.

(g) In the event an eligible employee is on a leave of absence, disability or workmen's compensation in excess of thirty (30) days, each full month spent on such leave shall be deducted on a pro-rated basis, and shall not be credited as time worked for the purpose of vacation accrual.

(h) Subject to the provisions of paragraph (i) of this section, all employees who are entitled to receive vacation shall take it by December 31st, in any calendar year except in cases of emergency and only with written approval of the Executive Director. Subject to the provisions of paragraph (i) of this section, if accrued vacation is not taken by the 31st of December in any year or as otherwise provided by the Executive Director, the vacation shall be forfeited.

(i) Employees with more than fifteen (15) full years of employment shall be entitled to carry over five (5) days of vacation into the following calendar year. Any vacation time carried over must be taken by April 1 or it is forfeited. Vacation time carried over and which will be taken shall be scheduled on or before December 31 in writing with the Executive Director. If the Authority determines scheduling requests cannot be granted in a manner consistent with the efficient operations and management of the Authority facility, carry over vacation requests shall be granted according to seniority.

(j) Pay for vacation periods consists of regular base pay only, exclusive of overtime and shift differential.

Article XII - Holidays

All full-time regular employees, except probationary employees, shall be entitled to the following paid holidays:

- New Year's Day
- President's Day
- Martin Luther King Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Election Day
- Columbus Day
- Veterans Day
- Thanksgiving Day
- The day after Thanksgiving Day
- Christmas Day

Notwithstanding the foregoing, the Authority reserves the right to require employees to work on the aforementioned holidays as deemed necessary by the Authority.

Should a holiday fall on a Saturday, it shall be celebrated on Friday. Should a holiday fall on a Sunday, it shall be celebrated on a Monday.

Payment for holidays will only be made if employees are not absent the day before or day after a holiday, unless it was an authorized absence in advance or if a doctor's certificate is provided for an illness.

Article XIII - Sick Leave

All regular, full-time employees shall be entitled to 12 sick days per calendar year. During the first calendar year of employment sick days shall be accrued on the basis of one sick day per month of employment. An employee who commences work prior to the (10th) of a given month shall receive credit for that month. Probationary employees shall not be eligible to use accrued sick time during the probationary period.

Any unused sick days can be accumulated from one calendar year to the next, up to 120 days.

An employee out sick for two consecutive work days may be required to produce a doctor's certificate. An employee out sick for three or more work days shall be required to produce a doctor's certificate. A doctor's certificate will be required for all sick days taken commencing with the tenth (10th) day each year. A failure to produce a requested or required doctor's certificate shall result in a loss of pay for the employee for the days the employee did not report for work.

It is understood that each employee must notify his/her Supervisor or the business office of the Authority as soon as possible, but no later than one (1) hour before their scheduled starting time, that he or she is ill and will not be reporting to work. Failure to provide the required notice shall result in loss of the day's pay.

Upon retirement from the Authority, an employee will be

reimbursed for any unused sick days, at the rate of 50% of the employee's rate of pay but in an amount not to exceed the limits as set forth in pursuant to the provisions of N.J.S.A 43:15C-1. An employee will be considered a retiree upon making application and receiving pension from the PERS. In the event of the death of an employee, his or her estate shall receive reimbursement for any unused sick days, at the rate of 50% of the employee's rate of pay.

Any employee who quits, is laid off or is terminated shall not receive compensation for accrued sick days.

**Article XIV - Leave of Absence, Jury Duty, Bereavement
and Military Leaves**

Employees may be granted personal leaves of absence for periods of up to thirty (30) days at the discretion of the Authority. Extensions thereof may be made at the discretion of the Authority. All leaves of absence shall be without pay and subject to the approval of the Authority. Unless expressly set forth in writing by the Authority prior to the commencement of a leave of absence, an employee shall not be employed or engaged in any business enterprise during any leave of absence from the Authority. The denial of a request for a leave or extension thereof shall not be and cannot be a subject of a grievance.

Regular full-time employees performing jury duty shall receive full salary for any days the employee is absent while actually serving on jury duty. If an employee on jury duty is released from jury duty prior to the conclusion of his or her scheduled hours of work on a particular day, that employee shall immediately call his or her supervisor and advise of their availability to report to work to complete their scheduled hours of work. If directed by their supervisor, the employee shall report to work to complete their scheduled hours of work. A failure to advise the supervisor or to report to work as directed may result in the employee's loss of jury duty pay for the day.

Regular full-time employees called for jury duty must notify the Authority at least one week prior to the date they are to report for jury duty and must furnish a copy of the summons. An

employee shall only receive pay for jury duty when the employee would have normally worked except for his or her attendance at jury duty. An employee shall provide proof of actual attendance at jury duty if requested by the Authority. Part-time employees are not entitled to be paid while on jury duty.

An employee shall be excused from work without loss of pay for up to five (5) days in the event of a death in the immediate family. Immediate family is defined as: Spouse, father, mother, grandmother, grandfather, sister, brother, child, current mother-in-law, father-in-law, brother-in-law, sister-in-law, step-mother, step-father, step-child, step-brother or step-sister. A one day leave with pay will be granted in the event of the death of an Aunt, Uncle, Niece or Nephew. Such paid leave will be granted only when the employee attends the funeral or memorial service and for days when the employee would normally have worked except for the death of such relative.

No payment will be granted when the employee fails to furnish the Authority with reasonable proof of death if requested. The time so allowed above may be extended in writing and with or without pay by the Executive Director in his/her discretion.

Any employee who is a member of the National Guard or the U.S. Reserve and who is required to serve two (2) weeks active duty training period once in each calendar year shall receive full pay for such period of service. Employees shall provide proof of active duty to the Authority with a minimum of two (2) weeks prior

notice, and if requested by the Authority, proof of attendance.

Article XV - Grievance Procedure

A. Definitions

1. The term "grievance" as used herein means any controversy arising over the interpretation, application or alleged violation of policies or administrative decisions affecting the terms and conditions of this Agreement. A grievance may be raised only by the Union or by the Union on behalf of an employee or group of employees. An employee shall not be entitled on his or her own to file a grievance or utilize the procedure set forth herein.

B. Purpose

1. The purpose of this grievance procedure is to secure an equitable solution to grievances as herein defined. The parties agree that grievances should be resolved at the lowest possible administrative level, in a timely fashion. Failure to process a grievance within the time periods provided shall constitute an abandonment of the grievance, and shall bar any further prosecution of the grievance, unless the parties have mutually agreed to extend said periods. The instant grievance procedure constitutes the sole and exclusive method for raising and disposing of grievances within the definition of the term.

C. Procedure

1. Step One -- Oral - The employee and the employee's Union representative shall present the grievance orally to the employee's immediate supervisor within five (5)

working days after the employee becomes aware of the grievance, but in no event, later than one (1) month after it's alleged occurrence.

2. Step Two -- Written - If no satisfactory settlement is reached within three (3) working days from the time the grievance was orally discussed, the grievance shall be reduced to writing by the Union and presented to the Supervisor of the area of the employee affected.

The written grievance shall set forth a statement of the facts constituting the grievance, the specific contract provisions, if any, forming the basis of the grievance and the identity of any relevant witnesses to the extent known at the time, and the remedy sought by the Union. The grievance shall be signed by the affected employee(s) and the Shop Steward or a Union Representative.

The Supervisor, or his designee, shall investigate the grievance and render a written response which shall be given to the Union within five (5) working days from the receipt of the grievance.

3. Step Three - Executive Director

1. In the event the grievance is not resolved to the Union's satisfaction at Step Two, then the Union shall present in writing the grievance to the Executive Director. The Union and the Executive Director, or his designee, shall meet within ten (10) working days of

the Executive Director's receipt of the grievance and, if the matter is not resolved at the meeting, the Executive Director or his designee shall issue his written decision within fourteen (14) calendar days of the meeting.

4. Step Four - (A) Mediation and (B) Arbitration

In the event the grievance is not resolved to the satisfaction of the Union at Step Three, then within five working days after the response at Step Three is provided, or was due and was not provided, the Union may notify the Executive Director in writing of the Union's intent to submit the grievance to the N.J. State Board of Mediation for either (A) "mediation under contract" or for (B) binding arbitration.

In the event the grievance relates to a discharge of an employee covered hereunder, then the grievance may be submitted to binding arbitration under (B) below. All other grievances may be submitted to "mediation under contract" under (A) below.

A. Within 5 working days after notification to the Executive Director, the Union may invoke "mediation under contract" by notifying the N.J. State Board of Mediation. A copy of such request shall be provided to the Executive Director. Mediation shall be scheduled and conducted in accordance with the rules of the N.J. Board of Mediation. In the event the dispute is still not resolved after mediation is concluded, the parties may

mutually agree to submit the matter to binding arbitration under (B) below. Either party reserves its right to seek relief through the courts, after "mediation under contract" if submission to binding arbitration is not mutually agreed upon.

B. In the event the grievance involved a discharge, then within five working days after the notification to the Executive Director, the Union may invoke binding arbitration by submitting a written request for same to the N.J. State Board of Mediation, with a copy of such request to the Executive Director. Thereafter binding arbitration proceedings shall be conducted pursuant to the rules of the N.J. State Board of Mediation, except as they may be expressly altered or modified herein.

1. The Arbitrator shall be required to deliver to the parties a written award, coupled with a written opinion setting forth detailed reasons, findings of fact, and conclusions of law utilized in making his/her award, by not later than thirty days from the date of closing the hearings, or if oral hearings have been waived, then from the date of transmitting the final statements and proofs to the arbitrator. The Arbitrator shall have no authority to modify, add to, subtract from, or in any way whatsoever alter the provisions of this agreement.

5. Attendance at Hearings and Meetings

Grievance and Arbitration meetings and hearings shall be held at mutually acceptable times and places. Requests for attendance of any employee affected by the grievance or a necessary witness

in an arbitration hearing shall be made to the Executive Director, in writing, no later than three working days prior to the date of the hearing. The Authority shall have no obligation to pay employees for time spent attending arbitration hearings during an employee's normal work hours.

The fees, expenses and all other proper charges of the arbitrator shall be split equally between the parties.

Article XVI - Health and Safety

The Authority recognizes the necessity of providing a safe and healthy working environment for all of its employees. The Authority reserves the right to take each and every action it deems necessary to insure a safe and healthy working environment.

The Authority shall provide whatever protective devices and equipment it deems necessary. Those protective devices and equipment the Authority provides shall be worn/used by the employees.

The Union agrees that it and its members will do everything in their power to cooperate with the Authority to insure the health and safety of all employees.

The Authority and Union agree to form a Safety Committee comprised of two representatives of management designated by the Executive Director and two employees of the Authority designated by the Union. The Safety Committee shall meet at a mutually convenient time on a quarterly basis during the year for the sole purpose of discussing health and safety issues at the workplace. The Safety Committee is not authorized to take any action which is in any manner binding on the Authority.

Article XVII - Reporting Accidents

A. Any employee involved in an accident shall immediately report said accident and any physical injuries sustained to his or her supervisor.

B. The injured employee, before going off duty and before starting his/her next shift, shall assist the employer in making out an accident report while on Authority time, and shall turn in all available names and addresses of witnesses to the accident.

Article XVIII - License Premium

Employees holding licenses NJS-1, 2, 3 or 4 and/or NJC-1, 2, 3 and 4 related to the Authority's operation, shall be entitled to an annual premium as follows:

(A) During the calendar years 2013, 2014 and 2015:

| | | | |
|-------|------------|-------|------------|
| NJS-1 | \$ 975.00 | NJC-1 | \$ 950.00 |
| NJS-2 | \$1,600.00 | NJC-2 | \$1,550.00 |
| NJS-3 | \$2,225.00 | NJC-3 | \$2,150.00 |
| NJS-4 | \$2,850.00 | NJC-4 | \$2,750.00 |

In each calendar year an employee shall be entitled to receive the premium for the highest level license held by the employee in each of the NJS and NJC classifications. For example, an employee possessing NJS-1 and NJC-2 licenses, receives the premium for both licenses.

Employees are not entitled to premiums for more than one license in either the NJS or NJC classification. For example, an employee possessing NJS-1, NJS-2, NJC-1 and NJC-2 licenses receives premiums for the NJS-2 and NJC-2 licenses only.

If any employee obtains a license or increases the level of a license during the course of a calendar year, said employee shall receive the premiums set forth above on a pro-rated basis commencing with the quarter following the quarter in which the license (or the increase in the license level) was awarded.

The license premium shall be paid on a quarterly basis, with

payments occurring on or about January 1st, April 1st, July 1st and September 1st of each year.

Such payments shall be deemed wages for the purpose of pension contributions under Article XXV herein.

Article XIX - Personal Days

Each employee shall be entitled to three (3) paid personal days per year. Requests for use of Personal days must be made in writing to the employee's supervisor, at least two working days in advance of the day, except in cases of emergency. Such requests shall not be unreasonably denied.

Personal days not used during a calendar year cannot be accrued and are forfeited if not used by December 31st of a calendar year. An employee who quits, retires or is terminated forfeits any Personal days to which he or she might otherwise be entitled.

In the first calendar year of employment, an employee shall be entitled to two Personal days if hired prior to July 1st. Employees hired on or after July 1st shall be entitled to one Personal day.

Article XX - Transfers

The Authority reserves the right, and the Union agrees, that the Authority may make all transfers between work schedules, positions, job classifications, job titles and other transfers which it deems, in its discretion, to be in the best interest of the Authority. All such decisions made by the Authority cannot and will not be the subject of a grievance.

In the event an employee is temporarily transferred from one classification or shift to another, except for training purposes, the employee shall receive the rate of pay for the classification or shift to which he or she is transferred for the period of time during which the employee performs the duties of that classification, providing that the classification or shift is at a higher rate of pay. An employee temporarily transferred to a lower paying classification or shift with a lower rate of pay shall suffer no reduction in pay.

In the event the Authority decides to make a transfer of an employee between shifts, the Authority shall effect the transfer by transferring the least senior qualified employee, except in cases where the transfer of such employee would, in the Authority's discretion, be inconsistent with the safe and efficient operation of the facility. As used herein, the term "qualified" is intended to take into consideration such factors relating to job performance as skill, ability, job knowledge and experience. This paragraph shall not apply to transfers between

work schedules as defined in Article V.

Article XXI - Miscellaneous

The Union shall have the use of a bulletin board on the Authority's premises for posting of notices relating to Union meetings, official business, and social functions. No notice shall be posted until it has been submitted to and approved by the Executive Director of the Authority. Such approval shall not be unreasonably withheld.

The Authority shall reimburse employees for costs associated with the Commercial Drivers License (CDL) Program. Such costs include the initial fee for the exam and the additional fee for upkeep of the license, over and above the cost of such employee's regular license.

Article XXII - Uniforms and Reimbursement for Eye Care Expenses

The Authority shall provide each full-time non-clerical employee with a full complement of uniforms, furnished and cleaned by a uniform service. Items purchased outright and provided to employees (i.e.,: winter coat, insulated coveralls) shall be cleaned and maintained by the employee.

The Authority shall provide one summer jacket; and one heavy winter coat or insulated coveralls to each full-time non-clerical employee.

Employees shall have the option of getting regular coveralls in lieu of regular uniforms.

Each full-time, non-clerical employee shall be reimbursed for one pair of safety shoes each year, not to exceed \$100.00 in each calendar year. Such payment will be made upon presentation of a voucher/receipt for the purchase of such safety shoes. All non-clerical employees shall wear safety shoes while working.

Upon termination of employment, all uniforms provided must be returned by the employee prior to the final paycheck being issued.

Each full-time employee shall be reimbursed for costs actually incurred not to exceed \$300.00 during each calendar year of this agreement for eye examinations, prescription glasses and prescription contact lenses for the employee, the employee's spouse, and the employee's children under the age of twenty-four (24). Such payment will be made upon presentation of a voucher/receipt for said expenses.

Article XXIII - Savings Clause

If any term, provision or condition of this contract is held to be unlawful, illegal or in violation of law by any federal, state or municipal legislation and/or court of competent jurisdiction the parties will confer in an effort to find suitable substitutions therefore, and the balance of the Agreement shall remain in full force and effect.

Article XXIV - Retirement, Health And Medical Benefits

The Authority shall provide post-retirement health benefits to full time employees and their dependents in accordance with the provisions of the New Jersey State Health Benefits Plan. Said benefits shall be provided to all employees who: (a) retire on a disability pension; (b) retire with 25 years or more of service credit in the State Health Benefits Plan and five (5) years of service with the Authority; or (c) retire on or after age 62 with fifteen (15) or more years of service with the Authority.

Article XXV - Insurance and Pension

The Authority shall provide, medical and health insurance coverage under the N.J. State Health Benefits Plan to cover full family responsibilities including the spouse of the employee and dependent children of the employee, including students up to age 26. The employee shall make such contribution to this plan and in such a manner as is provided pursuant to N.J.S.A. 40A:10-21.1 and related statutes.

The Authority shall provide at no cost to all eligible employees a prescription card under the New Jersey State Health Benefits Plan Prescription Drug Program. The provision of the prescription card shall occur as soon as is permissible under the State Health Benefits Plan Prescription Drug Program after the execution of this agreement. The employee shall make such contribution to this plan and in such a manner as is provided pursuant to N.J.S.A. 40A:10-21.1 and related statutes.

An employee who elects coverage under an Authorized State Plan other than the N.J. State Health Plan shall be required to pay only the difference between the cost of the traditional State Plan and the alternate Plan, if any.

The Authority, at its option, may change insurance carriers provided substantially similar or better benefits are provided.

The Authority shall continue the current practice whereby after the seventh calendar day eligibility period, an employee on workmen's compensation shall receive full salary for the first

thirty calendar days. During said thirty calendar day period, the employee's Compensation payment shall revert to the Authority. At the expiration of the thirty calendar day period, said employee shall receive whatever payments are entitled under Workmen's Compensation only.

The Authority will provide to the employee the State Disability Plan as set forth in the Temporary Disability Benefits Law. Employer and employee contributions to the Disability Plan shall be made in accordance with the applicable N.J. State Statutes.

The Authority will continue to make contributions as heretofore, for each employee, to the N.J. Public Employees Retirement System, pursuant to the provisions of the Statutes and Laws of the State of N.J.

The Authority shall pay 100 % the premiums for a Dental Plan up to, for each employee covered by the Plan during the term of this agreement. Such payments shall only be made during those months the Dental plan is in effect.

Article XXVI - Education Reimbursement

A regular full-time employee who is interested in taking educational courses directly related to the employee's job duties may require reimbursement of the tuition and other costs associated with the taking of the course from the Executive Director of the Authority. Such requests must be in writing and must include the costs for which reimbursement is being sought, the dates the course will be given, the name of the institution which is giving the course and a detailed description of the content of the course and how the content relates to the employee's job duties. The written request must be submitted at least fourteen (14) days prior to the date the course commences.

The Executive Director may, in his/her discretion, approve or disapprove the request for reimbursement. Such approval or disapproval shall be communicated to the employee in writing prior to the date the course commences. A disapproval of reimbursement by the Executive Director shall not, and cannot be, the subject of a grievance.

In the event the Executive Director approves a request for reimbursement, the employee shall provide receipts for all approved costs incurred and the Authority shall reimburse the employee upon the presentation of documentation that the course has been satisfactorily completed by the employee. An employee shall be deemed to have satisfactorily completed a course if he or she receives a grade of "B" or better in the course.

As a condition of receiving such reimbursement, an employee shall execute a document stating and agreeing that in the event that the employee resigns for reasons other than medical, from the Authority within one (1) year of their receipt of such reimbursement, they will repay the Authority an amount equal to such reimbursement received. Such repayment shall be due and payable to the Authority on the last day of the employee's employment with the Authority.

Article XXVII - Management Rights

The Authority hereby retains and reserves unto itself, without limitation, all powers, rights, authority, duties, and responsibilities conferred upon and vested in it prior to the signing of this agreement by the laws and constitution of the State of New Jersey and the United States, including, but without limiting the generality of the foregoing, the following rights:

1. The executive management and administrative control of the Authority and its properties and facilities, and the activities of its employees;

2. To hire all employees and to determine their qualifications and conditions of continued employment or assignment, and to promote and transfer employees;

3. To suspend, demote, discharge or take other disciplinary action for just cause or take other disciplinary action except as provided in the grievance procedure herein;

4. To make all decisions relating to the performance of the Authority's operations and maintenance activities, including, but not limited to, the methods, means, processes, materials, procedures and employees to be utilized;

5. To establish any new job classifications and job content and qualifications without prior negotiations thereof, however, in the event of a new job classification, the Union reserves the right to negotiate over the rate of pay for the new job.

6. To change the job content and duties of any classification.

7. To establish and determine the work performance levels and standards of performance of the employees;

8. To take any actions considered necessary to establish and maintain efficiency and cost effective operations and maintenance;

9. To change, modify or promulgate reasonable work rules and regulations;

10. To assign work as it determines will benefit the Authority and/or the public it serves.

B. The exercise of the foregoing powers, rights, authority, duties or other responsibilities of the Authority, the adoption of policies, rules, regulations and practices in furtherance thereof, and the establishment or change in any term or condition of employment, and the use of judgment and discretion in connection therewith, shall be limited only by the express terms of the agreement, and then only to the extent such terms of hereof are in conformance with the Constitution and Laws of New Jersey and of the United States.

C. Nothing contained herein shall be construed to deny or restrict the Authority in its exclusive right to administer the Authority and control the work of its personnel, nor to deny or restrict the Authority in any of its rights, responsibilities and authority under N.J.S.A. 40A:14A, the Sewerage Authority Law, or

any other national, state, county, or local laws or ordinances.

Article XXVIII - Fully Bargained Provisions

A. This agreement represents and incorporates the complete and final understanding and settlement by the parties of all bargainable issues which were or could have been the subject of negotiations.

B. The parties acknowledge that during the negotiations that resulted in this agreement, the understandings and agreements arrived at by the parties after the exercise of their rights and opportunities are set forth in this agreement.

C. The Authority and the Union, for the life of this agreement, each voluntarily and unqualifiedly waive any rights to bargain or negotiate with respect to any subject or matter referred to or covered in this agreement, or with respect to any matter or subject not specifically referred to or covered in this agreement. The above said waiver shall not apply to any matter where such waiver is barred by Federal or State law. The parties reserve the right to bargain or negotiate any matter if there is mutual agreement to bargain or negotiate over said matter. The above said waiver shall not apply to any matter where such waiver is barred by Federal or State law.

D. This agreement shall not be modified in whole or in part by the parties except by an instrument in writing only executed by both parties. A past or future practice shall not modify in whole or in part any term or condition of this agreement.

Article XXIX - Wages/Classifications

The following wage rates shall be the minimum starting and top rates for each classification:

| | 2013 | | 2014 | | 2015 | |
|-----------|-------|-------|-------|-------|-------|-------|
| | Start | Top | Start | Top | Start | Top |
| Operator | 18.48 | 26.59 | 18.90 | 27.19 | 19.37 | 27.87 |
| Clerical | 16.58 | 23.49 | 16.95 | 24.02 | 17.37 | 24.62 |
| Mechanic | 20.43 | 29.00 | 20.89 | 29.65 | 21.41 | 30.39 |
| Part-Time | 8.52 | | 8.72 | | 8.93 | |

In addition to the general wage increases outlined above, employees shall progress to the top rate in accordance with the following formula:

1. After 90 days of employment - 50 cents per hour increase.
2. Upon completion of one full year - The employee's rate will be increased by one-third (1/3) the difference between his/her then current rate and the then current top rate for that classification.
3. Upon completion of two full years - The employee's rate will be increased by two-thirds (2/3) the difference between the employee's then current rate and the then current top rate for that classification.
4. Upon completion of three full years - The employee will advance to the top rate for that classification.

The Authority reserves the right, in its discretion, to hire and/or advance employees above and beyond the minimum requirements

set forth above.


Article XXX - Duration Of Agreement

This Agreement will remain in full force and effect from January 1, 2013 through December 31, 2015 and shall thereafter be continued in full force and effect from year to year unless notice of termination or desire to modify or change this Agreement is given in writing by either party at least sixty (60) days prior to December 31, 2015 or, December 31st of any subsequent year. Upon receipt of such notice, a conference will be arranged for on a mutually agreeable date.


In WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed by its duly authorized representatives this _____ day of December, 2012.

**Communications Workers of America,
Local 1038, Branch 4**

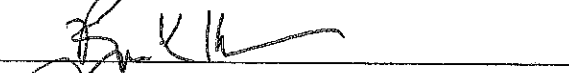
**Township of Middletown
Sewerage Authority**




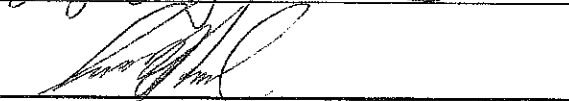
Kevin Tauro, ^{V.P.} _{K.T.}
CWA, Local 1038 Branch President 1-4-12




Chantal Bouw
Chairperson









Patrick Parkinson
Executive Director

Union Negotiating Committee