AGREEMENT

BETWEEN

HAZLET TOWNSHIP

AND

MERCHANDISE DRIVERS LOCAL #641 IBT/AFL-CIO

OF

HAZLET TOWNSHIP

JANUARY 1, 2004 – DECEMBER 31, 2006

Prepared by:

Richard M. Salsberg, Esq. Scarinci & Hollenbeck, LLC P.O. Box 790 1100 Valley Brook Avenue Lyndhurst, New Jersey 07071 Tel:201-896-4100

TABLE OF CONTENTS

| RECOGNITION | 2 |
|--|----|
| ARTICLE II PURPOSE AND INTENT | 3 |
| ARTICLE III PROBATIONARY PERIOD | 4 |
| ARTICLE IV HOURS OF WORK AND OVERTIME | 5 |
| ARTICLE V FORCE REDUCTION | 8 |
| ARTICLE VI JOB VACANCIES, NEW JOBS CREATED OR PROMOTION | 9 |
| ARTICLE VII NON-DISCRIMINATION | 10 |
| ARTICLE VIII HOLIDAYS | 11 |
| ARTICLE IX VACATIONS | 12 |
| ARTICLE X GRIEVANCE PROCEDURE | 14 |
| ARTICLE XI LEAVES OF ABSENCE | 16 |
| ARTICLE XII SICK LEAVE | 17 |
| ARTICLE XIII FUNERAL LEAVE | 18 |
| ARTICLE XIV JURY DUTY | 20 |
| ARTICLE XV COURT APPEARANCE | 21 |
| ARTICLE XVI SAFETY, HEALTH AND UNIFORMS | 22 |

| ARTICLE XVII HOSPITALIZATION, MEDICAL, DENTAL AND LIFE INSURANCE24 |
|---|
| ARTICLE XVIII MILITARY LEAVE26 |
| ARTICLE XIX SENIORITY27 |
| ARTICLE XX MANAGEMENT PREROGATIVE28 |
| ARTICLE XXI REST BREAKS29 |
| ARTICLE XXII CLASSIFICATIONS30 |
| ARTICLE XXIII WAGES31 |
| ARTICLE XXIV LONGEVITY33 |
| ARTICLE XXV JOB RELATED INJURY35 |
| ARTICLE XXVI DISABILITY PLAN37 |
| ARTICLE XXVII MISCELLANEOUS PROVISIONS38 |
| ARTICLE XXVIII PERSONAL DAYS39 |
| ARTICLE XXIX WAIVER40 |
| ARTICLE XXX NO STRIKE PLEDGE41 |
| ARTICLE XXXI EFFECT OF LEGISLATION-SEPARABILITY42 |
| ARTICLE XXXII HEALTH PLAN ALTERNATIVE43 |
| ARTICLE XXXIII AGENCY SHOP AND UNION DUES44 |
| ARTICLE XXXIV DURATION |

f 1

PREAMBLE

THIS AGREEMENT, made and entered into on this Thinday of Liller, 2004 by and between HAZLET TOWNSHIP, a Municipal Corporation of the State of New Jersey (hereinafter referred to as the TOWNSHIP), and Merchandise Drivers Local #164 IBT/AFL-CIO (hereinafter referred to as Local #641) of Hazlet Township (hereinafter referred to as the EMPLOYEES), and is designed to maintain and promote a harmonious relationship between the Township and its regular Local #641 employees who are covered by this Agreement.

The term "employee" shall be interpreted to include both male and female employees, and when the masculine gender is used in reference to employees, it shall be interpreted to be applicable to both male and female employees.

The term "Department of Personnel" is the name of that which was previously known as "Department of Civil Service."

WITNESSETH:

WHEREAS, the parties hereto have negotiated hours of work, wages and working conditions relative to the regular Local #641 employees of the Township; therefore, in consideration of the mutual covenants exchanged by and between the Employees and the Township, the parties agree as follows:

ARTICLE I

Recognition.

The Township recognizes the Employees' representatives as the agents in matters pertaining to wages, hours of work and other conditions of employment for all regular blue collar employees employed by the Township. Excluded are all professional employees, supervisors, craft, clerical and confidential employees, police, fire fighters, and managerial executives within the meaning of the New Jersey Employer-Employee Relations Act and all other employees.

ARTICLE II

Purpose and Intent.

<u>Section 1</u>. The general purpose of this Agreement is to set forth terms and conditions of employment and to promote orderly and peaceful labor relations for the mutual interests of the Township and the regular blue collar employees.

Section 2. The parties recognize that the interests of the community and the job security of the employees depend on the Township's success in establishing proper service to the community.

Section 3. To these ends the Township and the Employees encourage to the fullest degree friendly and cooperative relations between the respective representatives at all levels and among all employees.

ARTICLE III

Probationary Period.

The probationary period shall conform to the Rules and/or Regulations of the Department of Personnel. Seniority shall begin as of the initial date of hire as per Article XIX.

ARTICLE IV

Hours of Work and Overtime.

Section 1. The normal work week for employees assigned to the Department of Public Works shall consist of forty (40) hours per week, eight (8) hours per day, five (5) consecutive days per week, from Monday through Friday, with the exception of employees who are to work Saturdays for recycling purposes. The normal work day of employees assigned to the Department of Public Works shall commence at seven (7) A.M. and terminate at three-thirty (3:30) P.M. and this includes a thirty (30) minute unpaid lunch period. During July and August this normal work day shall commence one-half hour earlier (6:30) A.M. and shall end one-half hour earlier (3:00) P.M. The Township may schedule different work hours for employees who perform pre-shift maintenance and/or checks. Employees will be paid straight-time for the first forty (40) hours of their work week, regardless of the days constituting the work week. The parties also recognize that in case of any emergency or snow storm, the Township has the right to modify the work schedules of any or all employees covered by this Agreement.

Section 2. Any work performed beyond forty (40) hours in any work week shall be considered overtime, compensated for at one and one-half (1-1/2) times the regular hourly rate of pay.

Section 3. Employees shall be paid at the rate of one and one-half (1-1/2) times for work performed on the sixth or seventh day worked in the work week. The work week for all purposes begins on Sunday.

Section 4. The Township shall notify employees, whose normal work week is Monday through Friday, of any Saturday or Sunday work not later than the end of shift on Thursday of that week, except for emergencies, snow removal and ice control.

Section 5. Overtime shall be distributed as equally as practical among the employees within the department qualified and capable of performing the work available. Overtime work offered but refused by an employee shall be counted as overtime worked for the purpose of determining the equitable distribution of overtime.

Section 6. In the event an employee is called back to work after the conclusion of his normal work shift, the employee will be entitled to a minimum of three (3) hours pay at the overtime rate that is applicable. Parks & Recreation called in to open and close picnic area gate shall be entitled to three (3) hours overtime.

Section 7. In case of any emergency, including snow removal, the Township will call and/or utilize any employees as drivers in accordance with past practice in order to provide proper coverage of the emergency situation.

Section 8. A \$8.00 meal allowance will be given after the first four hours of overtime. Employees shall obtain a receipt for reimbursement.

Section 9. After the first four (4) hours of overtime, employees shall be entitled to a thirty (30) minute break. They shall be entitled to an additional thirty (30) minute break every four (4) hours worked beyond twelve (12).

Section 10. Notwithstanding Sections 1-9, Saturday recycling hours shall be 8:00 a.m. to 12:00 noon. Such hours shall be considered overtime hours.

Section 11. Employees may utilize overtime earned during snow emergencies as compensatory time, in lieu of sick time, at their option immediately following the snow emergency.

ARTICLE V.

Force Reduction.

Any force reduction will be in accordance with the Rules and/or Regulations of the Department of Personnel.

ARTICLE VI

Job Vacancies, New Jobs Created or Promotion.

Job vacancies, new jobs created or promotions shall conform to the Rules and/or regulations of the Department of Personnel.

ARTICLE VII

Non-Discrimination.

It is agreed that the parties hereto will continue their practice of not discriminating against an employee because of race, color, creed, religion, nationality, age or sex.

ARTICLE VIII.

Holidays.

Section 1. For the term of this Agreement, the Township shall provide all of the Local #641 employees the following holidays, with full pay, at the employee's regular straight time rate of pay, though no work is performed on such days:

New Years Day
Martin Luther King Day
Lincoln's Birthday
President's Day(Washington's Birthday)
Good Friday
Memorial Day
Primary Election Day
Independence Day

Labor Day
Columbus Day
General Election Day
Veteran's Day
Thanksgiving Day
Day after Thanksgiving
Christmas

Section 2. In order to be entitled to holiday pay, an employee must work his regular scheduled hours on both the last business day before the holiday and the first business day following the holiday. Notwithstanding, if an employee is out of work because of a valid work-related injury, he shall be entitled to holiday pay.

Section 3. Employees who work on any of the above holidays shall be paid for such work at one and one-half (1-1/2) times the employee's regular rate.

Section 4. If a holiday falls on a Saturday or Sunday, it may be celebrated and compensated accordingly on the day preceding or the day following such holiday at the discretion of the Township.

Section 5. If one or more holidays falls within the vacation period of an employee, the employee shall receive an additional day of vacation in lieu of the holiday.

ARTICLE IX

Vacations.

Section 1. Vacation Eligibility. All full-time employees with the required seniority shall earn vacation leave with pay in accordance with the following schedule, it being understood that each such employee has an anniversary date of January 1.

| Up to December 31 of the year of hire After 1 year of employment, commencing with the date of hire After 5 years of employment, commencing with the date of hire After 10 years of employment, commencing with the date of hire After 15 years of employment, commencing with the date of hire After 20 years of employment, commencing with the date of hire After 20 years of employment, commencing with the date of hire and up to 25 years of employment 1 day for each year of service with maximum of 25 days per year | Seniority Required | <u>Vacation Leave</u> |
|--|--|-------------------------|
| After 5 years of employment, commencing with the date of hire After 10 years of employment, commencing with the date of hire After 15 years of employment, commencing with the date of hire After 20 years of employment, commencing with the date of hire and up to 25 years 15 days per year 18 days per year 20 days per year 1 day for each year of service with maximum of | Up to December 31 of the year of hire | 1 day per full month |
| with the date of hire After 10 years of employment, commencing with the date of hire After 15 years of employment, commencing with the date of hire After 20 years of employment, commencing with the date of hire and up to 25 years 18 days per year 20 days per year 1 day for each year of service with maximum of | | 12 days per year |
| with the date of hire After 15 years of employment, commencing with the date of hire After 20 years of employment, commencing with the date of hire and up to 25 years 20 days per year 1 day for each year of service with maximum of | , , , | 15 days per year |
| with the date of hire After 20 years of employment, commencing with the date of hire and up to 25 years 1 day for each year of service with maximum of | , , , | 18 days per year |
| with the date of hire and up to 25 years service with maximum of | , , , , | 20 days per year |
| | with the date of hire and up to 25 years | service with maximum of |

Section 2. Vacation Schedule. Seniority will be the controlling factor in scheduling vacations, except that requests for vacations during June, July and August must be made on or before May 1, if seniority is to be considered. Any vacation requests submitted after June 1st shall be approved at the discretion of the supervisor. Similarly, requests for vacations during November and December must be made on or before September 1, if seniority is to be considered. Requests submitted after September 1 will be approved at the discretion of the Supervisor.

The Township has the right to determine the number of employees who may take vacations at any one time. No employee shall utilize more than two (2) weeks vacation at any one time without approval of his department head. If agreement cannot be reached, the matter shall be referred for action by the department head to the governing body of the Township.

Due to extreme circumstances any employee covered by this Agreement may carry over into the following year not more than five (5) days vacation, which shall be scheduled and utilized prior to April 1 of the year to which such day or days are carried over. Failure to utilize any or all of any carry-over vacation will result in the loss of such day or days.

ARTICLE X

Grievance Procedure.

Section 1. <u>Definition of Grievance</u>. A grievance is a complaint by an employee, Merchandise Drivers Local #641, employees as an organized recognized group or the Township concerning the application or interpretation of this Agreement.

Section 2. Grievance Procedure. All grievances shall be handled in the following manner:

- a. <u>Step 1</u>. An employee with a complaint shall notify his immediate supervisor within three (3) working days after the occurrence of the events giving rise to the complaint. The complaint shall be discussed informally by the employee and his immediate supervisor. Every effort shall be made to satisfactorily settle the complaint in this manner. The immediate supervisor shall give his disposition, subject to his designated representative, within five (5) working days.
- b. Step 2. If the complaint is not satisfactorily settled by the verbal procedure, it shall be reduced to a written grievance, signed by the employee and a representative of the employees, and presented by the employees to the Administrator of the Township or his designated representative within five (5) working days after receipt of the immediate supervisor's answer in the verbal procedure. Within ten (10) working days after receipt of the employees' written grievance, the Administrator of the Township or his designated representative shall meet with a representative of the employees to discuss the grievance. The Township shall respond to the written grievance and return it to the representative of the employees within ten (10) days following said meeting. If the

grievance is not satisfactorily resolved, it may be submitted to the Township Committee for final determination.

- c. <u>Step 3</u>. If the grievance is not satisfactorily settled at Step 2, it may be appealed within ten (10) working days to the Township Committee, who shall schedule, hear, and determine the grievance within twenty (20) working days after receiving it.
- d. Step 4. Upon receipt of an adverse decision, the Union shall have thirty (30) calendar days to appeal such determination to Arbitration under procedures provided by the Public Employees Relations Commissioner (PERC). The cost of the Arbitrator and related fees to be borne one-half by the Employer and one-half by the Union.

Section 3. Time Limitations. The time limits established in the grievance procedure shall be followed by the parties hereto. If the time limit procedure is not followed by the employee or representative of the employees, the grievance shall be considered settled in accordance with the Township's last disposition. If the time procedure is not followed by the Township, the grievance shall automatically advance to the next step. The time limits established in the grievance procedure may be extended by mutual agreement, provided it is reduced to writing and the period of extension is specified.

<u>Section 4</u>. <u>Time Computation</u>. Saturday, Sunday and holidays shall not be counted under the time procedure established in the grievance procedure.

ARTICLE XI.

Leaves of Absence.

Every employee subject to this Agreement may be granted a leave of absence according to the applicable Rules and/or Regulations of the Department of Personnel.

ARTICLE XII

Sick Leave.

Section 1. Every employee subject to this Agreement shall be entitled to paid sick leave benefits per annum according to the applicable Rules and/or Regulations of the Department of Personnel.

Section 2. Upon retirement, each employee who has been employed by Hazlet Township (a) for not less than twenty-five (25) years or (b) for not less than ten (10) years so long as he is at least sixty (60) years of age, is entitled to the payment of 100% of his accumulated sick time at his current rate up to a maximum of ten thousand (\$10,000.00) dollars.

ARTICLE XIII

Funeral Leave.

Section 1. When a full-time employee loses time from work because of the death of his spouse, father, mother, mother-in-law, father-in-law, stepparent (added per resolution #88, 4/2/96) grandmother, grandfather, grandchild, child, foster child, sister or brother, stepchild or any other relative of the employee residing in the employee's household, the employee will be paid by the Township his regular straight time rate of pay multiplied by the average number of hours in the employee's normal straight time work day for each day so lost from work, up to a maximum of three (3) days. If the funeral service is to be held over two-hundred fifty (250) miles from Hazlet Township, two (2) additional days for travel will be granted. No payment shall be granted where the employee fails to furnish the Township with reasonable proof of death, when requested, and any request for such payment based on false statements shall subject the offending employee to immediate disciplinary action. All bereavement leave must be taken within fourteen (14) days of the associated demise.

Section 2. When a full-time employee loses time from work because of the death of his or her aunt or uncle, the employee will be paid by the Township his regular straight time rate of pay multiplied by the average number of hours in the employee's normal straight time work day, for not more than one (1) day so lost from work, during the period commencing with the day of the relative's death and ending with the day of the funeral or memorial service. In the case of the employee's brother-in-law, or sister-in-law, the time allowed shall be two (2) days. If the funeral service is to be held over two-hundred fifty

{00182536.DOC}

(250) miles from Hazlet Township, two (2) additional days for travel will be granted. It is understood that such payment will be made only when the employee is scheduled for work and would have worked except for the death of such relative and that in no event will payment be made for any day within the employee's vacation period; and that the maximum benefit allowance in any case will be one (1) day's pay. No payment shall be granted where the employee fails to furnish the Township with reasonable proof of death, when requested, and any request for such payment based on false statements shall subject the offending employee to immediate disciplinary action.

ARTICLE XIV

Jury Duty.

Employees performing jury duty shall receive their base wages (excluding any overtime, holiday pay, etc.) which they would have earned on the particular days involved, where such jury service falls on their regular scheduled work days, in addition to the amount received for the jury service. Employees called for jury duty must notify their foreman or other superior at least one week prior to the date they are to report for jury duty and must furnish a copy of the summons.

<u>ARTICLE XV</u>

Court Appearance.

If an employee is subpoenaed to appear in court during working hours as a party to a claim involving Township business, he shall receive time off with pay to attend the court. An employee shall not be entitled to this benefit if he/she is the moving party against the Township in the suit or if the Union is a party against the Township, unless it is the Township that subpoenas the employee. The employee is to notify, and furnish a copy of the subpoena to his supervisor upon receipt thereof.

ARTICLE XVI

Safety, Health and Uniforms

Section 1. The Township will comply with the health and safety provisions of both the Department of Health and the Department of Labor of the State of New Jersey and also the health and safety provisions of the Hazlet Township Health Department and the Monmouth Municipal Joint Insurance Fund.

Section 2. The Township has the option to either purchase uniforms and distribute same to the employees, in which event the employees have the obligation to maintain said uniforms, or the Township may continue to provide the employees with the following at no cost to them:

- (a) Two (2) medium weight Sir coats for each employee as per Township's specifications (SUR coats) or one (1) heavy duty Carhart coat to be purchased by voucher.
- (b) Five (5) approved tee shirts to be worn during the summer months for safety purposes and five (5) approved sweatshirts.
- (c) Protective clothing consisting of rain gear, boots, gloves and safety vests.
- (d) Two (2) pairs of safety work shoes at eighty (\$85.00) dollars per pair for 2004, ninety (\$90.00) dollars per pair for 2005, and ninety-five (\$95.00) per pair for 2006.
- (e) In the event an employee wears out the two pairs of safety work shoes, the Employer will provide an allowance for the purchase of a third pair of safety work shoes at the discretion of the Supervisor.

The Public Works employees will be provided t-shirts as specified in Section 2(b) by May 1st of each year or upon adoption of the budget, whichever is later.

Section 3. Certain employees are required to wear safety shoes. The employee is authorized to purchase said safety shoes and charge same to the Township utilizing the

prescribed requisition and purchase order system. Should an employee submit satisfactory documentation that he cannot wear safety (steel tip) shoes, said employee may substitute work shoes for safety (steel-tip) shoes.

Section 4. The Township will provide all employees with vouchers for the purchase of six (6) pairs of work pants (jeans) per year.

ARTICLE XVII

Hospitalization, Medical, Dental and Life Insurance.

Section 1. The Township shall provide coverage for full-time employees and their eligible dependents, subject to a twelve (\$12.00) dollars per week payroll contribution. Effective January 1, 2005, this contribution shall increase to fourteen (\$14.00) dollars per week for employees with single coverage and sixteen (\$16.00) dollars per week for employees with any form of dependent coverage; effective January 1, 2006, this contribution shall increase to eighteen (\$18.00) per week for employees with any form of dependant coverage. The contribution for employees with single coverage shall remain at fourteen (\$14.00) dollars per week from January 1, 2005 through December 31, 2006.

Section 2. The Township shall provide a dental insurance plan which provides coverage for all eligible employees and eligible dependents; said plan will provide for a minimum of seventy-five percent (75%) of the cost of UCR (usual, customary and reasonable) services provided. Should the dental program carrier make available additional preventative and diagnostic coverage payment for an additional premium, the employee will have the option to have said coverage and the Township will deduct the premium for said coverage from the employees' salary on a monthly basis and forward same to the dental insurance carrier.

Section 3. A prescription drug program will be provided for all eligible covered employees and eligible covered dependents subject to an unlimited five (\$5.00) co-pay requirement for each covered generic prescription and an unlimited ten (\$10.00) dollar co-pay requirement for each covered brand-name prescription. Effective January 1, 2005, the

co-pay for generic prescriptions shall be ten (\$10.00) dollars and the co-pay for brandname prescriptions shall be twenty (\$20.00) dollars. Effective on said date a mail order option with no co-pay will be added.

Section 4. The Township reserves the right to provide reasonably equal coverage through different carriers or plans for any and all of the various health benefit coverages provided by the Township.

Section 5. An employee will be entitled to health benefits upon retirement for the employee only at the coverage rate upon retirement per state statute.

- A. Who have retired on a disability pension; or
- B. Who have retired after twenty-five (25) years or more of service credit in a State or locally administered retirement system and who have provided (15) years or more of service with the Township at the time of retirement,
- C. Who have retired and reached the age of sixty-five (65) years and have twenty-five (25) years or more of service credit in a State or locally administered retirement system and a period of fifteen (15) years or more of service to the Township at the time of retirement, or
- D. Who have retired and reached the age of sixty-two (62) years or older with at least fifteen (15) years of service with the employer.

At age 65, Medicare becomes primary carrier, Township will pay supplemental rate.

Any increase in premium coverage after retirement shall be borne solely by the retiree. Retiree may provide coverage for spouse at prevailing rate, at his or her own cost, by reimbursing the Township on a monthly basis.

ARTICLE XVIII

Military Leave.

Any permanent employee who enters active service of the Armed Forces of the United States or in the United States National Guard or Reserve shall receive a leave of absence for the period of such duty. An employee returning from military service shall be re-employed in accordance with the applicable Federal law and/or Rules and/or Regulations or the Department of Personnel, and shall be entitled to any other benefits set forth in this Agreement, provided he satisfies the eligibility requirements established under this Agreement.

ARTICLE XIX

Seniority.

Section 1. Seniority is defined as the total length of service of an employee with the Township commencing with his most recent date of hire.

Section 2. Subject to the Rules and/or Regulations of the Department of Personnel, and whenever possible and practicable, employees with the greatest seniority will be given preference in temporary promotions, layoffs, recalls, shift assignments and vacation schedules.

Section 3. All regular appointments to positions in the competitive, non-competitive and labor divisions of the classified service shall be subject to a working test period of three (3) months in accordance with the provisions of the applicable Rules and Regulations of the Department of Personnel.

ARTICLE XX

Management Prerogative.

Section 1. Except as specifically modified, delegated or granted in this Agreement, all rights and powers the Township had, whether or not exercised, prior to the execution of this Agreement, shall be retained by the Township and remain exclusively in the discretion of the Township. Included in such rights, but not limited thereto, is the Township's right to manage and operate its facility; to contract or sub-contract work and/or services, to direct the activities of the working force and to determine its size; to add, change or terminate departments or working shifts; to hire, transfer, promote and lay off employees; to discipline and discharge members of the working force for just cause or reason; to introduce new methods of operation and administration; to determine, establish or modify job standards; to automate any and all of its facilities or equipment; to introduce and change machinery, equipment and technical apparatus; to discontinue or start any operation, department or service which it deems desirable and to determine the method and equipment to be used for rendering all necessary services or otherwise operating its facility.

Section 2. Nothing contained herein shall be construed to deny or restrict the Employer in its exclusive right to administer itself, nor to deny or restrict the Employer in any of its rights, responsibilities and authority under any national or state laws.

Section 3. The failure to exercise any of the foregoing rights shall not be deemed to be a waiver thereof.

ARTICLE XXI

Rest Breaks.

All employees shall receive one (1) fifteen (15) minutes rest break during the morning of their normal work day without loss of pay. The break time shall be at the discretion of the Township as near the middle of the morning as may be determined by the Township.

ARTICLE XXII

Classifications.

The qualifications, duties and responsibilities of every position shall be clearly defined and set forth in writing.

ARTICLE XXIII

Wages.

The wages for all employees in all job classifications covered by this Agreement shall be set forth in the Salary Ordinances of the Township of Hazlet, and as further described by name and annual salary as set forth in the appropriate resolutions to be duly adopted.

Section 1. Effective January 1, 2004, all employees shall receive an increase of three and three-quarters (3.75%) percent above their 2003 base salaries.

Effective January 1, 2005, all employees shall receive an increase of three and one-half (3.50%) percent above their 2004 base salaries.

Effective January 1, 2006, all employees shall receive an increase of three and one-half (3.50%) percent above their 2005 base salaries.

Section 2. Salary pay will occur every two weeks.

Section 3. Effective January 1, 2005, the minimum Laborer's rate shall be \$25,773 per year and the minimum Driver's rate and Maintenance Repairer's rate shall be \$27,945 per year. Drivers or Laborers currently employed by the Township shall receive either the new minimum rate or a three and one-half (3.5%) percent increase for 2005, whichever is greater (but not both).

Section 4. Whenever a Laborer shall perform duties which require a C.D.L, the Laborer shall be paid for such work at the pay rate of the Truck Driver. Effective January 1, 2005, the minimum Laborer rate for employees who hold a C.D.L. will be \$26,975 per

year. The minimum rate for Truck Driver Heavy shall increase by the percentages in Section 1.

Section 5. Effective January 1, 2006, the minimum Laborer rate shall increase to \$27,669 per year, the minimum Laborer C.D.L. rate will increase to \$28,964 per year and the minimum Truck Driver and Maintenance Repairer rate shall increase to \$29,958 per year.

ARTICLE XXIV

Longevity.

| Section 1. Effective January 1, 2004, each employee shall receive | annual |
|---|---------|
| longevity pay as follows: | |
| Completion of five (5) consecutive years of service | \$1,125 |
| Completion of ten (10) consecutive years of service | \$1,475 |
| Completion of fifteen (15) consecutive years of service | \$1,825 |
| Completion of twenty (20) consecutive years of service | \$2,125 |
| Effective January 1, 2005 | |
| Completion of five (5) consecutive years of service | \$1,175 |
| Completion of ten (10) consecutive years of service | \$1,525 |
| Completion of fifteen (15) consecutive years of service | \$1,875 |
| Completion of twenty (20) consecutive years of service | \$2,175 |
| Effective January 1, 2006 | |
| Completion of five (5) consecutive years of service | \$1,225 |
| Completion of ten (10) consecutive years of service | \$1,575 |
| Completion of fifteen (15) consecutive years of service | \$1,925 |
| Completion of twenty (20) consecutive years of service | \$2,225 |
| | |

Section 2. Payment of the longevity benefit will be made in the first pay period of the month of December.

Section 3. Longevity will be paid pro rata as follows: In the event an employee is absent from duty for any reason, except for a valid work-related injury, for a period in

excess of a total of three (3) months in a calendar year, exclusive of holidays, personal days, vacation time, and up to fifteen (15) days sick time, said employee shall forfeit and/or return to the Township a pro-rated portion of the allowance under this Article. Notwithstanding, in case of retirement, if an employee retires on or before the fifteenth (15th) day of a month, he will not receive longevity pay for any days of that month. If an employee retires after the fifteenth (15th) day of a month, he will be paid longevity pro rata until the end of that month. In any event, if an employee has been employed by the Township for more than twenty (20) years at the time of retirement, he shall receive longevity pay through the end of the quarter following his retirement.

ARTICLE XXV

Job Related Injury.

Any employee who is injured while acting in the performance of his employment shall receive full pay less the workers' compensation temporary disability payments to which he is entitled during the period of his absence from employment for us to thirty-nine (39) weeks for each injury. This is provided that either the Township Physician and/or a physician designated by the Township's insurance carrier determines that said work related injury is a valid injury and that as a result of this injury warrants the appropriate time off. Such payment shall begin on the date of his injury or on the first day he is unable to work because of said injury, whichever is later, without having such absence charged against his sick leave or vacation time. This provision shall apply to the obvious job related injury.

The Township Committee may rely on the decision of its workers' compensation carrier as to whether the employee's injuries are job related.

At any time that the workers' compensation carrier or the Worker's Compensation Division determines the injury is work-related and commenced the payment of temporary disability payments, the Township will likewise pay the full weekly pay for the period covered by said payments (up to the maximum of thirty-nine (39) weeks) less the amount of the workers' compensation temporary disability payments.

In any instance where the Township's carrier denies work relationship, this provision will become operative only after a decision by the Division of Workers' Compensation that the employee's injury was sustained in the performance of his employment. Pending the outcome of his decision, the employee may use any sick or vacation leave accumulated by

{00182536.DOC}

him and shall later be credited with any time so used by relinquishment of any payments later received for the same period.

In the event workers' compensation payments have commenced and are subsequently discontinued by the worker's compensation insurance company, the Township Committee, prior to discontinuing its payments, will serve written notice on the employee of its intended action in sufficient time to allow the employee to meet and discuss the reversal with the Township Committee before the proposed action is taken.

In the event that a claim is found not to be job related, it is understood that the employee has the option to use any or all of his accumulated sick leave and vacation leave before receiving any other disability payments available to him.

The Township has the right to receive reimbursement from the employee for any monies expended by it as the result of any fraudulent or misleading claim by taking away any or all sick or vacation leave accumulated by the employee up to the amount owed. Such intention of proposed action must be served on the employee in writing in sufficient time to allow a meeting with the Township Committee to discuss the action before it is taken.

ARTICLE XXVI

Disability Plan.

All employees covered by this Agreement will be covered by the New Jersey State Temporary Disability Plan or an equivalent private disability plan. A copy of this plan is to be provided to each employee. It is understood that this plan or a plan with equivalent benefits shall require the employee to make a contribution equal to the New Jersey State Plan.

ARTICLE XXVII

Miscellaneous Provisions.

Section 1. No employee shall make or be requested to make any agreement or to enter into any understanding, inconsistent or conflicting with the terms of this Agreement.

Section 2. Employees shall not be charged money for loss or damage of or to the Township's property, tools, equipment, mobile or otherwise, or articles rented or leased by the Township unless reasonable determination is made that the loss or damage was the result of negligence on the part of the employee. A system of marking to identify all Township owned tools used in the mechanics' work shop shall be developed and utilized.

Section 3. The Township will pay the initial cost of a C.D.L. license issued. The Township will also provide time off without loss of pay to take the test for a C.D.L. license.

ARTICLE XXVIII

Personal Days.

Each employee shall receive three (3) personal days per year. Personal days shall not be carried over from year to year and must be used during the year acquired.

ARTICLE XXIX

Waiver.

Section 1. Except by mutual agreement, the parties agree not to seek, during the term of the Agreement, to negotiate or to bargain with respect to any matters pertaining to rates of pay, wages, hours of employment, or other conditions of employment, whether or not covered by this Agreement or in the negotiations leading thereto, and any rights in that respect are hereby expressly waived.

Section 2. 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.

ARTICLE XXX

No Strike Pledge.

Section 1. The Union convenants and agrees that during the term of this Agreement and during negotiations of a Successor Agreement, neither the Union nor any person acting in its behalf will cause, authorize or support, nor will any of its members take part in any strike (i.e., the concerted failure to report for duty or willful absence of an employee from his position, or stoppage of work, or abstinence in whole or in part from the full, faithful and proper performance of the employee's duties of employment), work stoppage, slowdown or walkout.

Section 2. The Union agrees that it will take all reasonable actions to prevent its members from participating in a strike, work stoppage, slowdown or walkout, including within twenty-four (24) hours of the actions publicly disavowing the action, and advising the Employer, in writing, that the Union did not call for or sanction the action. The Union shall also notify the employees of its disapproval of the action and advise them, in writing, to immediately cease and return to work immediately.

ARTICLE XXXI

Effect of Legislation - Separability

It is understood and agreed that all agreements herein are subject to all applicable laws now or hereafter in effect, and to the lawful regulations, ruling and orders of regulatory commissions or agencies having jurisdiction. If any provision of this Agreement is in contravention of the laws or regulations of the United States or of the State of New Jersey, such provision shall be null and void, and shall be superseded by the appropriate provision of such law or regulation, so long as same is in force and effect; but all other provisions of this Agreement shall continue in full force and effect.

ARTICLE XXXII

Health Plan Alternative.

An employee who declines medical insurance coverage shall be entitled to payment of 1/3 of the premium dollar savings. The Township shall pay the employee the dollars and provide no medical coverage to that employee for one (1) year. Any employee who selects this option must remain out of the plan for one year. However, at the end of the one year period and for each subsequent year thereafter, the employee may opt to return back to the medical plan of the Township. The employee shall notify the Township in writing of his or her decision to decline medical coverage or to return to the Township medical plan during the open enrollment process in November of each year.

ARTICLE XXXIII

Agency Shop and Union Dues.

Agency Shop.

1 5

Section 1. Purpose of Fee. All eligible non-member employees in this unit will be required to pay to the majority representative a representation fee in lieu of dues for services rendered by the majority representative. Nothing herein shall be deemed to require any employee to become a member of the majority representative.

Section 2. Amount of Fee. Prior to the beginning of each contract year, the union will notify the Township in writing of the amount of regular membership dues.

The representation fee in lieu of dues shall be in an amount equivalent to the regular membership dues, initiation fees and assessments charged by the majority representative to its own members less the cost of benefits finances through the dues, fees and assessments and available to or benefiting only its members, but in no event shall such fee exceed 85% of the regular membership dues, fees and assessments.

Section 3. Deduction and Transmission of Fee. After verification by the Township that any employee must pay the representation fee, the Township will deduct the fee for all eligible employees in accordance with this Article.

The mechanics of the deduction of representation fees and the transmission of such fees to the Union will, as nearly as possible, be the same as those used for the deduction and transmission of regular membership dues to the Union.

The Township shall deduct the representation fee as soon as possible after the tenth day following reentry into this unit for employees who previously served in a position

identified as excluded or confidential, for individuals re-employed in this unit from a reemployment list, for employees returned from leave without pay, and for previous employee members who become eligible for the representation fee because of nonmember status.

The Township shall deduct the representation fee from a new employee as soon as possible after thirty (30) days from the beginning date of employment in a position in this unit.

Section 4. <u>Demand and Return System.</u> The representation fee in lieu of dues only shall be available to the Union if the procedures hereafter are maintained by the Union.

The burden of proof under this system is on the Union. The Union shall return any part of the presentation fee paid by the employee which represents the employee's additional pro rata share of expenditures by the Union that is either in aid of activities or causes of a partisan political or ideological nature only incidentally related to the terms and conditions of employment, or applied toward the cost of any other benefit available only to members of the majority representative.

The employee shall be entitled to a review of the amount of the representation fee by requesting the Union to substantiate the amount charged for the representation fee. This review shall be accorded in conformance with the internal steps and procedures established by the Union. The Union shall submit a copy of the Union review system to the Township. The deduction of the representation fee shall be available only if the Union establishes and maintains this review system. If the employee is dissatisfied with the Union's decision, he may appeal to a three-member board established by the Governor.

{00182536.DOC}

4 1 3

Section 5. Township Held Harmless. The Union hereby agrees that it will indemnify and hold the Township harmless from any claims, actions or proceedings brought by an employee in the negotiations unit which arises from deductions made by the Township in accordance with this provision. The Township shall not be liable to the Union for any retroactive or past due representation fee for an employee who was identified by the Township as excluded or confidential or in good faith was mistakenly or inadvertently omitted from deduction of the representation fee.

<u>Section 6</u>. <u>Legal Requirements</u>. Provisions in this clause are further conditioned upon all other requirements set by statute.

Section 7. Union Dues. The Township agrees to deduct twice monthly from the base pay of each employee, who furnishes a written authorization for such deduction in a form acceptable to the Township, the amount of monthly union dues. Dues shall be per month in such amount as may be certified by the Union to the Township at least thirty (30) days prior to the month in which the deduction of union dues is to be made. Deduction of union dues made pursuant hereto shall be remitted by the Township to the Union by the tenth (10th) day of the month following the calendar month in which deductions are made, together with a list of employees from whose pay such deductions were made.

The Union agrees to indemnify and hold the Township harmless against any and all claims, suits, orders of judgment brought or issued against the Township with regard to the dues check-off except for any claims that result from negligent or improper acts of the Township or its agent or servants.

The Township will immediately supply the Union a copy of any request to halt dues.

{00182536.DOC} 46

If so, during the life of this Agreement, there shall be any change in the rate of membership dues, the Union shall furnish to the Township written notice prior to the effective date of such change, and shall furnish the Township a certified copy of the Resolution, indicating dues changes and the effective date of such changes.

ARTICLE XXXIV

Duration.

This Agreement shall become effective on the first day January 2004 and shall continue in full force and effect and expire on the 31st day of December, 2006. If either party desires to amend and/or terminate this Agreement, it shall, at least sixty (60) days prior to the above termination date, give the other party written notice. If no notice is given, this Agreement shall continue in effect from year to year thereafter.

IN WITNESS WHEREOF, the parties have hereunto, by their duly authorized representatives, executed this Agreement the day and year above written.

| ATTEST: | HAZLET TOWNSHIP | |
|--------------------|--|----------|
| Patricia & Johnson | By: Margareth Margatta Administrator of Hazlet Township | |
| ATTEST: | MERCHANDISE DRIVERS LO #641 IBT/AFL-CIO | ЭСА |
| Jatuera R. Johnson | By: Bolion lieur four 641 By: Boliot V. & Crain | <i>/</i> |
| | By: | |

ATTEST: