

CITY COUNCIL

The City of Orange Township, New Jersey

DATE December 20, 2016

NUMBER 394-2016

TITLE: **A RESOLUTION AUTHORIZING RATIFICATION OF THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITY OF ORANGE TOWNSHIP AND THE FIRE MUTUAL BENEVOLENT ASSOCIATION LOCAL 10**

WHEREAS, the City of Orange Township (“the City”) and the Orange Fire Mutual Benevolent Association Local 10 (“FMBA”) concluded negotiations of the collective bargaining agreement for the period of January 1, 2010 to December 31, 2020, which succeeds the collective bargaining agreement that expired on December 31, 2009 (the “Prior Collective Bargaining Agreement”); and

WHEREAS, the City and FMBA were unable to resolve the terms of a successor agreement following expiration of the 2006 – 2009 Memorandum of Agreement and the matter was thereafter submitted to arbitration; and

WHEREAS, on July 7, 2016, the arbitrator issued his Decision and Award and the City subsequently appealed same; and

WHEREAS, the parties engaged in negotiations subsequent to the City filing the appeal of the Arbitrator’s Award; and

WHEREAS, the City and FMBA have agreed upon the terms and conditions of employment set forth in the attached Memorandum of Agreement 2010–2020 (“2010 MOA”), subject to ratification of same by the City Council; and

WHEREAS, the City Council has reviewed and considered the 2010 MOA, including the terms and conditions of employment set forth therein; and

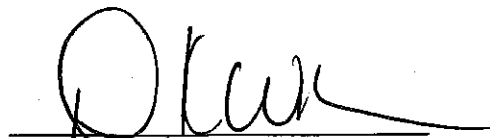
WHEREAS, the City has reviewed the approximate financial impact of the 2010 MOA on the 2017, 2018, 2019 and 2020 budgets as well as the financial calculations for the lump-sum payments due under the 2010 MOA for the period of time from 2010 through and including 2016; and

WHEREAS, the attached Memorandum of Agreement that modifies, amends and supplements the Prior Collective Bargaining Agreement (collectively referred to herein as the “New Collective Bargaining Agreement”), reflects the agreement between the City of Orange Township and the Orange Fire Mutual Association Local 10 for the period commencing January 1, 2010 and ending December 31, 2020.

NOW, THEREFORE, BE IT RESOLVED that the Municipal Council of the City of Orange Township that the New Collective Bargaining Agreement between the City of Orange Township and the Orange Fire Mutual Benevolent Association Local 10 is hereby ratified and approved.

ADOPTED: December 20, 2016


Joyce Lania
Municipal Clerk


Donna K. Williams
Council President

A.D.H.

RESOLUTION NO. 394-2016

REGULAR MEETING – December 20, 2016

ON CONSENT AGENDA

MOTION TO ADOPT: Eason

Second: Johnson, Jr.

YEAS: Coley, Eason, Jackson, Johnson, Jr., Wooten & Council Pres. Williams

NAYS: None

ABSTENTIONS: None

ABSENCES: Summers-Johnson

**CITY OF ORANGE TOWNSHIP AND FMBA BRANCH LOCAL #10
MEMORANDUM OF AGREEMENT 2010-2020**

WHEREAS, the City of Orange Township (City) and FMBA Branch Local 10 ("FMBA") are parties to successive collective negotiations agreements (CNAs) and Memorandum of Agreements (MOAs), the most current of which expired on December 31, 2009;

WHEREAS, the parties were unable to resolve the terms of a successor agreement following expiration of the 2006-2009 MOA and the matter was ultimately submitted to interest arbitration before James W. Mastriani. On July 7, 2016, Mr. Mastriani issued his Award and the City subsequently filed an appeal of same;

WHEREAS, the parties have tentatively agreed upon the following terms and conditions of employment in lieu of the Award issued by Mr. Mastriani. Although this Agreement is subject to ratification by the City's Governing Body as well as the FMBA's membership, the signatories below agree to recommend this settlement to their respective bodies:

1. **DURATION.** The term of the new MOA shall be January 1, 2010 to December 31, 2020. Unless otherwise set forth below, all terms set forth herein shall be retroactive to January 1, 2010.
2. **OTHER TERMS.** Unless otherwise stipulated below, all terms set forth in prior CNAs and MOAs shall be incorporated and otherwise retained in the 2010-2020 MOA.
3. **WAGES.**

Section 1. The following across-the-board annual wage increases shall be implemented:

2010 and 2011 - 2.5% each year
2012 to 2016 - 1.5% each year
2017 to 2020 - 3.0% each year

The wage increases for the years 2010-2016 shall be calculated and effectuated within 30 days of the full ratification of this MOA by both parties. No retroactive payments shall be made. However, within 30 days of the full ratification of this

Agreement by both parties, the City shall tender a lump sum payment to each current FMBA member as well as each former member of the FMBA who, subsequent to December 31, 2009, retired from the Orange Fire Department as a FMBA member for the years 2010-2016. For current employees, the amount of said payment shall be a fixed percentage of the individual's base salary and longevity earned immediately prior to the full ratification of this agreement by both parties. For those individuals who retired after December 31, 2009 and before the full ratification of this agreement by both parties, the amount of said payment shall be a fixed percentage of the individual's base salary and longevity earned immediately prior to his/her retirement.

The percentage shall be equal to the annual wage increases stated above for the years 2010 through 2016 for which the individual was employed by the City and a member of the FMBA. The fixed percentage shall be as little as 1.5% or as much as 12.5%, depending upon the duration of the individual's length of service for current members and date of retirement for former members. For example, a current member who has been employed by the City since 2010 shall receive 12.5% of his/her base salary and longevity referred to above. A current member hired in 2014 shall receive 4.5% of his/her base salary and longevity. A member who retired in 2013, shall receive shall receive 8.0% of his/her base salary and longevity.

Effective January 1, 2017, the new salary guide is attached hereto as Attachment A shall be subject to verification of said calculations by the City shall be reduced to seven (7) steps. Any inaccuracies shall be communicated in writing to the FMBA prior to its ratification vote.

Under no such circumstances shall any member of the FMBA receive less base pay as of January 1, 2017 than such member was earning on December 31, 2016 as a result of the reduction in steps on the salary schedule.

4. **TERMINAL LEAVE.** Effective January 1, 2017, the terminal leave allotment shall be reduced to a maximum of six month's leave.

5. **LONGEVITY.** Members hired after the date of the full ratification of this Agreement by both parties will receive longevity as follows:

Years of Service Completed	Percentage of Salary Increase
14 years	1.5%
19 years	3%
24 years	5%

6. PAYOUT FOR ANNUAL LEAVE TIME. During the last seven years of service, members shall have the right, as they choose to exercise in their sole discretion to receive payments up to 50% of their unused sick and vacation leave. Payments shall be based upon the member's current base pay at the time the payment request is made.

7. NON-ECONOMIC TERMS AND CONDITIONS OF EMPLOYMENT. The parties agree that this Memorandum of Agreement does not include agreed-upon terms and conditions of employment of Non-Economic Matters and that the parties have further agreed as a condition precedent to entering into this Memorandum of Agreement to engage in good faith negotiations on all Non-Economic Matters awarded by Arbitrator Mastriani, commencing within sixty (60) days after the ratification of this Memorandum of Agreement by the City and the FMBA. Unless an agreement is reached and reduced to an MOA, such negotiations shall terminate no later than thirty (30) days following the ratification of this Memorandum of Agreement by the City and the FMBA. Should the parties not reach an agreement on which Non-Economic matters are to be included in the Memorandum of Agreement by the City and the FMBA, the negotiations shall cease and the appeal of the Award of Arbitrator Mastriani shall continue.

The phrase "Non-Economic Matters" shall mean all terms and conditions of employment awarded by Arbitrator Mastriani as follows: (references are to the individual terms and conditions awarded by Arbitrator Mastriani on pages 78 through 81 of his July 1, 2016 awarded): Health Insurance; Health Insurance Contributions; Form of Contract; Section 125 Plan; Article XIII, Section G – Death Benefit; Payroll Deductions; Transfers Between Tours and Impact on Vacation Schedule.

8. ACTING PAY. Members that act in the position/capacity of Captain shall receive the hourly differential between the member's current base step (hourly rate) and the Captain's full pay (hourly rate) without longevity; members shall only receive longevity if applicable based upon their years of service for their full time position.

Upon full ratification of the Agreement, the City shall withdraw with prejudice its appeal of Mr. Mastriani's Award referred to above and, notwithstanding the existence of said Award, the parties' shall be bound by the terms set forth herewith.

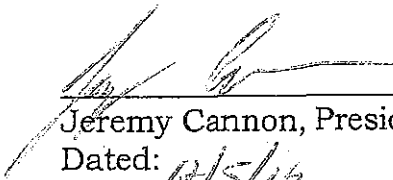
The terms of this MOA having been ratified by the FMNBA Local 10 and the approval of the City of Orange Township. All prior agreements are incorporated

by reference in this MOA. All issues not included in this MOA shall be considered as withdrawn.

City of Orange Township

FMBA Local #10

Dwayne D. Warren, Esq., Mayor
Dated:



Jeremy Cannon, President
Dated: 12/5/16

Eric S. Pennington, Esq.
City Attorney
Dated:

FMBA

Current Salary Range

Steps	1	2	3	4	5	6	7	8	9	10	11
Base	\$30,764.82	\$33,841.30	\$37,225.43	\$40,947.98	\$45,042.77	\$49,547.05	\$54,501.75	\$59,951.93	\$65,947.12	\$72,541.84	\$76,244.01
Bi-weekly	\$1,183.26	\$1,301.59	\$1,431.75	\$1,574.92	\$1,732.41	\$1,905.66	\$2,096.22	\$2,305.84	\$2,536.43	\$2,790.07	\$2,932.46
Hourly	\$14.09	\$15.50	\$17.04	\$18.75	\$20.62	\$22.69	\$24.96	\$27.45	\$30.20	\$33.22	\$34.91
*Holiday Pay	\$1,549.51	\$1,704.46	\$1,874.91	\$2,062.40	\$2,268.64	\$2,495.50	\$2,745.05	\$3,019.56	\$3,321.51	\$3,653.66	\$3,840.13
Steps Incorporating Holiday Pay	\$32,314.33	\$35,545.76	\$39,100.34	\$43,010.38	\$47,311.41	\$52,042.55	\$57,246.80	\$62,971.49	\$69,268.63	\$76,195.50	\$80,084.14

*Note: Line item for holiday pay is for illustration purpose only

Proposed 7 Steps

Steps	1	2	3	4	5	6	7
Base	30,764.82	38,344.69	45,924.56	53,504.43	61,084.30	68,664.17	76,244.01
Bi-weekly	\$1,183.26	\$1,474.80	\$1,766.33	\$2,057.86	\$2,349.40	\$2,640.93	\$2,932.46
Hourly	\$14.09	\$17.56	\$21.03	\$24.50	\$27.97	\$31.44	\$34.91
*Holiday Pay	1,549.51	1,931.28	2,313.05	2,694.82	3,076.59	3,458.36	3,840.13
Steps Incorporating Holiday Pay	32,314.33	40,275.97	48,237.61	56,199.25	64,160.89	72,122.53	80,084.14

*Note: Line item for holiday pay is for illustration purpose only

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
	2.5%	2.5%	1.5%	1.5%	1.5%	1.5%	1.5%	3%	3%	3%	3%	
Step 1	\$32,314.33	\$33,122.19	\$33,950.24	\$34,459.50	\$34,976.39	\$35,501.04	\$36,033.55	\$36,574.05	\$37,671.28	\$38,801.41	\$39,965.46	\$41,164.42
Step 2	\$40,275.97	\$41,282.87	\$42,314.94	\$42,949.67	\$43,593.91	\$44,247.82	\$44,911.54	\$45,585.21	\$46,952.77	\$48,361.35	\$49,812.19	\$51,306.55
Step 3	\$48,237.61	\$49,443.55	\$50,679.64	\$51,439.83	\$52,211.43	\$52,994.60	\$53,789.52	\$54,596.36	\$56,234.26	\$57,921.28	\$59,658.92	\$61,448.69
Step 4	\$56,199.25	\$57,604.23	\$59,044.34	\$59,930.00	\$60,828.95	\$61,741.39	\$62,667.51	\$63,607.52	\$65,515.75	\$67,481.22	\$69,505.65	\$71,590.82
Step 5	\$64,160.89	\$65,764.91	\$67,409.04	\$68,420.17	\$69,446.47	\$70,488.17	\$71,545.49	\$72,618.68	\$74,797.24	\$77,041.15	\$79,352.39	\$81,732.96
Step 6	\$72,122.53	\$73,925.59	\$75,773.73	\$76,910.34	\$78,063.99	\$79,234.95	\$80,423.48	\$81,629.83	\$84,078.73	\$86,601.09	\$89,199.12	\$91,875.09
Step 7	\$80,084.14	\$82,086.24	\$84,138.40	\$85,400.47	\$86,681.48	\$87,981.70	\$89,301.43	\$90,640.95	\$93,360.18	\$96,160.98	\$99,045.81	\$102,017.19