AGREEMENT

BETWEEN

WASHINGTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

AND

WASHINGTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

EMPLOYEES ASSOCIATION

Contract Period

2006 - 2009

WTMUA EA

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TABLE OF CONTENTS

ARTICLE ONE (I)	TERM OF AGREEMENT 1
ARTICLE TWO (II)	RECOGNITION AND SCOPE 1
ARTICLE THREE (III)	GRIEVANCE1
ARTICLE FOUR (IV)	SALARIES
ARTICLE FIVE (V)	OVERTIME AND SPECIAL DUTY4
ARTICLE SIX (VI)	HOLIDAYS5
ARTICLE SEVEN (VII)	SICK LEAVE
ARTICLE EIGHT (VIII)	VACATIONS6
ARTICLE NINE (IX)	LONGEVITY7
1ARTICLE TEN (X)	JOB POSTINGS7
ARTICLE ELEVEN (XI)	LICENSE & CONTINUING EDUCATION
ARTICLE TWELVE (XII)	OPEN SHOP 10
ARTICLE THIRTEEN (XIII)	ADDITIONAL BENEFITS 11

This **AGREEMENT**, entered in to this day of , 2006, by and between the Washington Township Municipal Utilities Authority, of the County of Morris and State of New Jersey, hereinafter called the "Municipal Utilities Authority", and the Washington Township Municipal Utilities Authority Employees Association, hereinafter called the "Employees Association", representing the complete and final understanding on all negotiable issues between the Municipal Utilities Authority and those employees of the Municipal Utilities Authority represented by the Employees Association.

ARTICLE ONE (I) TERM OF AGREEMENT

The term of this Agreement shall be for the period commencing January 1, 2006 and ending December 31, 2009.

ARTICLE TWO (II) RECOGNITION AND SCOPE

The Municipal Utilities Authority hereby recognizes the Washington Township Municipal Utilities Authority Employees Association the negotiating unit for all covered employees of the Washington Township Municipal Utilities Authority under the New Jersey Employer-Employee Relations Act of 1968 and Public Employment Relations Commission for New Jersey established under such law. This Agreement shall govern wages, rights and working conditions of the covered employees of the Washington Township Municipal Utilities Authority.

It is agreed that the MUA employee titles covered by this agreement shall include the following:

TITLE	TYPE	HOURS/WEEK
* Accounts Receivable Representative	Hourly	40
* Assistant Operator - Sewer	Hourly	40
* Operator - Water	Hourly	40
* Operator - Sewer	Hourly	40
* Maintenance Person	Hourly	30
* Meter Reader	Hourly	10

ARTICLE THREE (III) GRIEVANCE

The covered employee shall have the right to take a grievance on any issue involving his working conditions, employment promotion and infringement of rights arising under this Contract. Any employee taking a grievance under this contract may arrange, at his own cost, to have as assistance a representative and/or an attorney of his choosing at the second level or any succeeding level.

Any employee of the Municipal Utilities Authority who is chosen by the grievant as his or her representative shall be granted appropriate time off without compensation to assist in the prosecution of the grievance and shall not be penalized by the Municipal Utilities Authority.

Any grievance or dispute which may arise between the parties concerning a provision in this Agreement including its application, meaning or interpretation, or any grievance or dispute which may arise out of or between a covered employee and a superior from, or concerning, any matter which relates to or affects such employee in his capacity as an employee shall be settled in the following manner:

A. The covered employee having a grievance shall give notice of the grievance to the Municipal Utilities Authority Executive Director within ten (10) days of the date on which the grievance was deemed to have occurred. Notice of the grievance shall be in writing and submitted in duplicate. The Executive Director shall render his decision within ten (10) days, unless it is mutually agreed that a longer time is required.

B. In the event that the grievance is not settled or resolved to the satisfaction of the Employee Association, the aggrieved Employee may request arbitration within ten (10) working days of the receipt of a decision from the Executive Director, unless it is mutually agreed that a longer time is required. Failure on the part of the Employee Association to file its demand for arbitration within ten (10) working days shall constitute acceptance of the Executive Director's decision.

C. In the event that the grievance has been resolved and one of the parties has sought a demand for arbitration,

1. The parties shall submit the matter to binding arbitration before the New Jersey Public Employment Relations Commission in accordance with the rules thereof.

2. The arbitrator shall be selected under the rules of the Public Employment Relations Commission. The parties agree that any decision and award shall be binding upon the parties thereto. in accordance with the procedure outlined above shall conduct a hearing within a reasonable time after designation by the Public Employment Relations Commission. There shall be no appeal from the arbitrator's decision as each such decision shall be final and binding on the Employees Association, the employee or employees involved, and the Municipal Utilities Authority.

3. It is agreed that the arbitrator shall not have the power to add to, delete from, or modify any of the terms or provisions of this agreement.

4. The cost for the services of the arbitrator, including per diem and expenses, if any, and actual and necessary travel, subsistence expenses and the cost of the hearing room shall be borne equally by the Municipal Utilities Authority and the Employees Association or the Employee himself, as case may be. Any other expenses incurred shall be paid by the party incurring same.

ARTICLE FOUR (IV) SALARIES

Base Hourly Rates¹ of during the term of this Agreement shall be as follows:

EXISTING EMPLOYEES

Effective January 1 of each year, the following hourly rates shall apply:

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	2006	2007	2008	2009
* Accounts Receivable Representative	\$20.16	\$20.97	\$21.81	\$22.57
* Assistant Operator - Water	20.06	20.86	21.69	22.45
* Assistant Operator - Sewer	20.06	20.86	21.69	22.45
* Operator - Water	26.46	27.52	28.62	29.62
* Operator - Sewer	26.46	27.52	28.62	29.62
* Maintenance Person	19.14	19.90	20.70	21.42
* Meter Reader	19.14	19.90	20.70	21.42

1. - The term "Base Hourly Rates" shall be understood to mean the basic compensation for the title indicated, exclusive of any reimbursement for Overtime and Special Duty, Longevity and/or Operating Licenses as covered elsewhere herein.

NEW EMPLOYEES

Except as indicated below, all Employees hired after July 1, 1988 and who have completed less than five (5) full years of service as of July 1 of the current calendar year shall receive the hourly rate indicated for the appropriate position <u>adjusted</u> in accordance with the following schedule:

YEARS OF SERVICE		ADJUSTMENT
Less than 1 year	- Indicated hourly rate LESS	40%
1 year but less than 2	- Indicated hourly rate LESS	30%
2 years but less than 3	-Indicated hourly rate LESS	20%
3 years but less than 4	- Indicated hourly rate LESS	10%
4 years but less than 5	- Indicated hourly rate LESS	5%

If, at the time of employment, a new employee is determined to have prior work experience for the hired position, the Washington Township Municipal Utilities Authority may, at its sole option, give credit for such experience by starting the employee at a higher "Years of Service" classification. Such modified classification shall apply to only the employee's hourly rate and in no case shall a new employee having five (5) years or more experience receive an hourly rate above that indicated for the position.

CHANGE OF TITLE

It is the intent of this agreement that any employee who has a change in title in which his or her position is advanced to a higher paying title, will not receive any less total remuneration than

received under his or her previous title. Under such circumstances, adjustments in Years of Service shall be permitted as required in establishing the hourly rate.

PART-TIME EMPLOYEES

Part-time employees should be limited to no more than 40 hours in any given pay period. Pay for part-time employees shall be determined by rate indicated under adjustment "less than 1 year of service". Pay of Maintenance Person and Meter Reader shall remain at 1999 rate if not filled by full time employee.

WAGE ENHANCEMENT BONUS

There shall be a bonus of \$800.00 per year paid to Authority employees with between 21 and 24 years of service as of January 1, 2006. The bonus shall be paid in two equal installments on June 1 and December 1 of each year. This bonus shall not be included as part of the employee's base salary.

ARTICLE FIVE (V) OVERTIME AND SPECIAL DUTY

A. With the exception of part time Employees, the regular work week and salary for the Municipal Utilities Authority shall be computed on a forty (40) hour week. Employees shall work eight (8) hours a day. Employees hired prior to July 1, 1988 shall follow the below indicated schedules for the regular work week:

Field PersonnelMonday through Friday7:30 a.m. to 4:00 p.m.Office PersonnelMonday through Friday9:00 a.m. to 5:00 p.m.

Employees hired after such date may be required to work different schedules which may be set at the discretion of the Authority.

B. The Municipal Utilities Authority agrees to pay overtime at the rate of one and one-half (1-1/2) times an employee's regular rate of pay for each hour in excess of forty (40) hours for any given work week.

C. In the event of an emergency which requires extended service of employees of the Municipal Utilities Authority which service consists of sixteen (16) hours of the twenty-four (24) hours prior to the commencement of the regular hours of work, said employee shall receive eight (8) hours unpaid recuperation time.

D. The Municipal Utilities Authority agrees to pay a minimum of two (2) hours pay when an employee is called out for unscheduled work.

E. In the event of a emergency within the Municipal Utilities Authority system that posses a threat to the Health and Welfare of the public, all provisions of this contract effecting work scheduling and/or hours of covered employees shall be considered suspended until such emergent

condition is secured. This condition shall not apply to provisions of the Agreement related to compensation.

ARTICLE SIX (VI) HOLIDAYS

Full time employees shall receive twelve and one-half (12-1/2) paid holidays per year as follows:

- 1. New Year's Day
- 2. President's Day
- 3. Good Friday
- 4. Memorial Day
- 5 Independence Day
- 6. Labor Day
- 7. Columbus Day

- 8. Election Day
- 9. Veteran's Day
- 10. Thanksgiving Day
- 11. Day after Thanksgiving Day Christmas Eve (1/2 Day)
- 12. Christmas Day

In 2006 only, Lincoln's Birthday shall be celebrated. Beginning in 2007, Election Day shall replace Lincoln's Birthday as an observed holiday. Said holidays shall be set forth in the Employees Benefit Ordinance and enacted by the Washington Township Municipal Utilities Authority. The Municipal Utilities Authority agrees, after enactment of the Ordinance to post the list of holidays in a conspicuous place in the Municipal Utilities Authority.

Compensation for work performed on any of the paid holidays shall be paid at the rate equal to the holiday plus one and one-half (1-1/2) times the regular hourly rate of the employee.

ARTICLE SEVEN (VII) SICK LEAVE

Sick leave shall be computed on a 12 month year basis from January 1 through December 31. Full time employees shall receive the following sick leave time:

A. All Employee's who have completed less than one (1) full year of service as of January 1 of the current calendar year shall, after having completed two full months of service, be eligible for one (1) sick leave day for each full month worked, up to a maximum of ten (10) paid sick days.

B. All Employee's who have completed a minimum of one (1) full year of service as of January 1 of the current calendar year shall be eligible for ten (10) paid sick leave days.

C. All Employee's who have completed a minimum of five (5) full years of service as of July 1 of the current calendar year shall be eligible for fifteen (15) paid sick leave days.

D. All Employee's who have completed a minimum of ten (10) full years of service as of July 1 of the current calendar year shall be eligible for twenty (20) paid sick leave days.

Sick leave taken for more than three (3) consecutive days shall require a doctor's certificate to establish eligibility.

UNUSED ACCUMULATED TIME

Sick leave shall be non-cumulative; however, on the last pay period of the each calendar year of the Contract, each employees shall receive pay for 50% of any sick days accumulated but not used during that calendar year.

ADDITIONAL SICK LEAVE

Each full time employee shall also receive additional sick leave in the amount of seven (7) days for each year of service up to a maximum of twenty-eight (28) days, which sick leave shall be used only under the following circumstance:

Hospitalization or major illness, recuperation which required the employee to miss more than ten (10) consecutive working days. The added sick leave shall apply only to those days over and above the ten (10) consecutive work days missed due to hospitalization or recuperation. A doctor's certification will be required to establish eligibility.

In addition to the sick leave granted for any single major illness or hospitalization which extends more than thirty (30) days, paid sick leave will be granted from the 29th day to the 182nd day. Proof of the eligibility for extended benefits will be required in the form of a doctor's certificate and may require examination and certification by a doctor appointed by the Municipal Utilities Authority.

ARTICLE EIGHT (VIII) VACATIONS

Vacation leave shall be computed on a 12 month year basis from July 1 through June 30. Full time employees shall receive the following vacation time which shall be taken at the discretion of the Employee but not at any time which would jeopardize the efficient and effective operation of their office as determined by the Executive Director:

A. All Employee's who have completed less than one (1) full year of service as of July 1 of the current calendar year shall, after having completed two full months of service, be eligible for one (1) vacation day for each full month worked, up to a maximum of ten (10) paid vacation days.

B. All Employee's who have completed a minimum of one (1) full year of service as of July 1 of the current calendar year shall be eligible for ten (10) paid vacation days.

C. All Employee's who have completed a minimum of five (5) full years of service as of July 1 of the current calendar year shall be eligible for fifteen (15) paid vacation days.

D. All Employee's who have completed a minimum of ten (10) full years of service as of July 1 of the current calendar year shall be eligible for twenty (20) paid vacation days.

E. All employees who have completed a minimum of fifteen (15) full years of service as of July 1 of the current year shall be eligible for an additional one half (1/2) vacation day per year of service over fifteen (15) years up to a maximum of five (5) additional vacation days.

F. All full time Employees shall be eligible for two (2) personal leave days which may be used with the consent of the Executive Director upon proper documentation. Anyone hired after July 1st will be eligible for one (1) personal leave day in that year. Personal leave may not be taken until the end of the probation period.

ARTICLE NINE (IX) LONGEVITY

The following Longevity amounts shall be paid in two equal installments on June 1 and December 1 of each year to Municipal Utilities Authority employees who have completed three (3) years or more service as of January 1 of the current calendar year:

YEARS OF SERVICE	LONGEVITY AMOUNT	YEARS OF SERVICE	LONGEVITY AMOUNT
3	\$50.00	17	1,050.00
4	100.00	18	1,100.00
5	175.00	19	1,150.00
6	200.00	20	1,200.00
7	225.00	21	1,350.00
8	250.00	22	1,400.00
9	275.00	23	1,450.00
10	325.00	24	1,500.00
11	650.00	25	1,600.00
12	700.00	26	1,700.00
13	750.00	27	1,800.00
14	800.00	28	1,900.00
15	850.00	29	2,000.00
16	1,000.00	30 or more	2,100.00

ARTICLE TEN (X) JOB POSTINGS

The Municipal Utilities Authority agrees to post job openings at the Municipal Utilities Authority work sites to permit eligible employees to apply for an opening. For the purpose of this article, a job opening is defined as being: (1) a new position covered under the Municipal Utilities Authority contract; or (2) an opening which occurs due to a change in the existing staff covered under the Municipal Utilities Authority contract. Upon written application to the Municipal Utilities Authority, stating the employee's interest in and qualifications for the job opening, qualified employees shall be interviewed for the job opening.

If an employee so applies for a job opening and does not receive the position, the Municipal Utilities Authority will give the employee the reason(s) why he/she did not receive the position. Each employee who makes such written application for the position under consideration shall have the right to grieve this procedure to the Municipal Utilities Authority Committee level in accordance with the grievance procedure.

ARTICLE ELEVEN (XI) OPERATING LICENSE & CONTINUING EDUCATION POLICY

This provision covers the contract requirements for the licensing of employees as required by the State of New Jersey to operate water and sewer utilities of the Municipal Utilities Authority.

Classification of WTMUA Systems A.

In accordance with New Jersey Department of Environmental Protection, the present water and sewer systems are classified and require Operating Licenses as follows:

- Classification and Licenses Required Water Utility 1. Schooley's Mountain System: W-2 & T-1 W-2 & T-1 Hager System:
- 2. Classification and Licenses Required - Sewer Utility Collection System: C-2 S-2

Treatment System:

Β. Payment for Licenses

1. During his or her term of employment, the Municipal Utilities Authority will reimburse an employee for the following costs to obtain a class license in either the water or sewer utility, including:

* Tuition for courses at a recognized school or training program,

* Materials.

* Transportation for courses taken.

It will permit the employee to use time during his or her normal scheduled work day to take course study or the examination. In order to obtain reimbursement, the Employee must obtain written approval from the Executive Director prior to actual participation.

2. The Municipal Utilities Authority will not pay any costs incurred by an employee for tutor assistance.

Any employee who receives a license that is at or below the maximum class license required 3. under Section A. and is not required for the maintenance of his or her position shall receive an annual stipend, additional to his base pay, of \$1,000.00 for each class of License. Such increase will be proportioned in the first year the license is received and will be effective the first pay period of the

month following the date the license is issued. Payment for such stipend shall be in the form of twenty-six (26) uniform payments made in addition to the regular payroll at the regular pay period.

4. No stipend will be paid for licenses that are obtained for class licenses above those required under Section A.

5. No compensation will be made for licenses received under a "grandfather" provision.

6. In the event an employee is promoted to a position requiring a license, no stipend will be paid for licenses required by the new position. Payment will be considered to be a part of the base salary for the position.

7. If an employee does not hold a license which qualifies him or her to operate Municipal Utilities Authority facilities and he obtains a license for the first time that is higher than the Municipal Utilities Authority requires, then he will receive compensation as specified herein as though the license were of a class required.

8. In the event an employee only holds a license that is required by the State to operate the water or sewer facilities and subsequently the State reclassifies said facilities to require a higher license, the employee will receive compensation as specified herein under Section B1 & B3 to obtain the higher license.

9. In the event an employee holds a license above that required by the State to operate the water or sewer facilities and subsequently the State reclassifies said facilities to require a higher license, the employee will receive compensation as specified herein under Section B1 for costs previously expended by him or her to obtain the higher license. However, no costs previously paid under C1 shall be charged as expenses under this provision. Said employee shall also receive an addition to his base pay of \$1,000.00 for each class of License. Such increase will be proportioned in the first year the license is required and will be effective the first pay period of the month following the date the license is required.

10. The Municipal Utilities Authority will pay all fees required to keep all classes of operating licenses current. It is the responsibility of the employee to comply with State renewal requirements.

11. The current Water Operator and Sewer Operator shall receive an annual stipend, additional to his base pay, of \$1,500.00 as a license incentive for maintaining the licenses required by their position. This stipend is solely for the current operators and shall end at such time that the current operators no longer hold these positions. The stipend shall be paid in two equal installments on June 1 and December 1 of each year.

C. Continuing Education

1. The Municipal Utilities Authority shall pay reimbursement for costs of tuition, travel and materials for the courses taken which benefit the Municipal Utilities Authority and for which the

Employee has received prior written approval from the Executive Director prior to actual participation.

ARTICLE TWELVE (XII) OPEN SHOP

1. The Municipal Utilities Authority recognizes the right of any of its Public Employees to become, at his or her own free will, a member of the Employees Association.

2. The Municipal Utilities Authority shall at the written request of the Employees Association deduct, by payroll deduction from those Employee Members of the Employees Association, the regular membership dues of the Employees Association.

3. The Employees Association shall provide within thirty (30) days of the date of acceptance of this Agreement, and January 1st and July 31st of each succeeding year, advance written notice to the Public Employment Relations Commission, the Municipal Utilities Authority and to all employees within the unit, as shall be determined by a list of such employees and furnished to the Municipal Utilities Authority, the information necessary to compute the regular membership dues.

4. Any challenge to the assessment by an Employee member of the Employees Association shall be filed in writing with the Public Employment Relations Commission, the Municipal Utilities Authority and the Employees Association within thirty (30) days after receipt of the written notice by the employee. All challenges shall specify those portions of the assessment challenged and the reason therefor. The burden of proof relating to the amount of the fee shall be on the Employees Association.

5. The Municipal Utilities Authority shall deduct the fee from the earnings of the employees and transmit the fee to the Employees Association quarterly during the term of this Agreement and any successive agreement so providing.

6. In the event the challenge is filed, the deduction for fees shall be held in escrow by the Municipal Utilities Authority pending a decision by the Public Employment Relations Commission pursuant to 34:13A-5.4 as amended. No fees shall be deducted for any employee sooner than a) the thirtieth (30th) day following notice of the amount of the fee; b) satisfactory completion of a probationary period or the thirtieth (30th) day following the beginning of employment, whichever is later; c) the tenth (10th) day following the beginning of employment for employees entering into work in the negotiation unit from re-employment lists; d) the date of satisfactory completion of the probationary period or the completion of a three (3)-month period following the beginning of employment, whichever is sooner, for employees hired on a temporary basis; provided, however, that no employee in the aforementioned categories nor any employees in the employ of the Municipal Utilities Authority at the time this agreement becomes effective and have elected to be members of

the Employees Association shall be required to tender the fee before the thirtieth (30th) day following the date the said agreement becomes effective.

7. The Washington Township Municipal Utilities Authority Employees Association shall indemnify, defend and save the Municipal Utilities Authority harmless against any and all claims, damages, suits attorneys fees, costs of litigation, including court costs and other forms of liability as may arise out of or by reason of action taken by the Municipal Utilities Authority in reliance upon the dues, fees and assessments withheld under this agreement and computation thereof submitted by the Washington Township Municipal Utilities Authority Employees Association to the Municipal Utilities Authority.

ARTICLE THIRTEEN (XIII) ADDITIONAL BENEFITS

A. The Municipal Utilities Authority shall continue to provide enrollment in the hospital and medical benefit program presently in existence or another plan that provides comparable benefits. Beginning January 1, 2007, each current Employee shall contribute to the cost of dependent health care benefits as follows: The Employee's contribution to the cost of dependent health care benefits shall be 50% of any increase in cost over the 2006 "baseline" (The "baseline" is defined as: The cost for dependent health care benefits insurance premiums paid by the Municipal Utilities Authority for that specific Employee in 2006). Employees hired after January 1, 2006 shall not be eligible for paid dependent health care benefits. If dependent benefits are available, the Municipal Utilities Authority will allow the "new" employee to purchase such benefits at the employee's expense.

B. Any Employee on the Authority payroll as of January 1, 2006, and who is not receiving any dependent health care benefits, shall be eligible for up to \$488.00 per month towards the cost of dependent health care benefits effective the date such enrollment for dependent health care benefits begins. All costs over and above this amount shall be subject to the condition included in paragraph A above.

C. The Municipal Utilities Authority will continue to supply uniforms to all employees assigned to field duties. The standard "wardrobe" shall include: five (5) sets of: Trousers (Jeans, color blue), long Sleeved shirts (color blue) with the MUA logo and Pocket-Tees (color blue); and, one (1) winter weight jacket (or, at the option of the employee, one (1) set of winter weight coveralls). Such "wardrobe" shall be issued, in the quantities indicated, to each new full time employee. Each present employee shall receive new garments as required to provide the quantities indicated, or replace items damaged or exhibiting excess wear. Except in the instance of emergency or similarly unscheduled work, all field employees shall wear the "uniforms" supplied. The MUA shall pay for cleaning of the specified "wardrobe".

D. During each calendar year of the Contract, the Municipal Utilities Authority will reimburse each Employee assigned to Field Operations up to \$225 for the purchase of work/safety shoes. One or more pairs of shoes may be purchased at the employees discretion, provided that no more than the

stated amount is claimed for reimbursement. Each request for reimbursement must be accompanied by a sales receipt for the shoes purchased.

E. Each full time employee of the Municipal Utilities Authority shall be granted leave with pay, not exceeding three (3) days, in the event of death in his immediate family. The term "immediate family" for the purposes of this Contract shall include:

1. The employee's grandparents, spouse, child, parent, brother or sister.

2. The grandparent, child, parent, brother or sister of his spouse.

3. A relative living under the same roof.

F. Each full time employee of the Municipal Utilities Authority shall be eligible to receive a meal allowance under the following criteria:

1. If the employee is required to work three (3) hours before commencement of his regular eight (8) hour shift, he shall be eligible for reimbursement for meals in the amount of \$6.50.

2. If the employee is required to work three (3) hours after the conclusion of his regular shift, he shall be eligible for reimbursement for meals in the amount of \$8.50.

G. The employee working as the duty man shall receive a payment of \$50.00 as compensation for carrying the celluar telephone connected to the Authority's alarm system. Such payment shall be made only for that employee carrying the celluar telephone for entire week.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

ATTEST:

WASHINGTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Carol McLain, Secretary

Alan Thomson, Chairman

ATTEST:

WASHINGTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY EMPLOYEES ASSOCIATION

13