



Township of Hillsborough

Consideration #1

COUNTY OF SOMERSET
MUNICIPAL BUILDING
379 SOUTH BRANCH ROAD
HILLSBOROUGH, NEW JERSEY 08844

TELEPHONE
(908) 369-4313

www.hillsborough-nj.org

RESOLUTION APPROVING, AND AUTHORIZING THE MAYOR AND CLERK TO SIGN, MEMORANDUM OF AGREEMENT (MOA) TO COLLECTIVE BARGAINING AGREEMENT BETWEEN THE TOWNSHIP OF HILLSBOROUGH AND THE HILLSBOROUGH TOWNSHIP PUBLIC WORKS EMPLOYEES ASSOCIATION, INCORPORATING NO SALARY INCREASE FOR 2010 AND RESCINDING AUTHORIZATION FOR LAYOFF NOTICES.

WHEREAS, Hillsborough Township faces significant budget issues in 2010, resulting from hundreds of thousands of dollars in mandated cost increases and the loss of \$261,000 in consolidated municipal aid from the state and the withholding of \$623,000 in energy tax receipts funds due from the state; and

WHEREAS, the Township's Public Works Employees Association collective bargaining agreement with the Township expired on December 31, 2009, and the union is presently engaged in contract negotiations with the Township; and

WHEREAS, the budget savings that can be derived by an agreement to no increase in base salary for members covered by the Public Works Employees Association contract in 2010, will prevent the layoff of any union members in 2010; and

WHEREAS, the Public Works Employees Association members, in recognition of the severe budget issues and the impact of the overall economy on taxpayers, have voluntarily agreed to forgo an increase in base salary for 2010.

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Hillsborough, County of Somerset, State of New Jersey that the attached Memorandum of Agreement to Collective Bargaining Agreement between the Township of Hillsborough and the Hillsborough Township Public Works Employees Association, incorporating no salary increase for 2010 and rescinding authorization for layoff notices.

I, Kevin P. Davis, Township Clerk, hereby certify that the above resolution is a true and correct copy of a resolution adopted by the Township Committee of the Township of Hillsborough at a regular and duly convened meeting held on May 11, 2010.

In witness thereof, I have set my hand and affixed the seal of the Township of Hillsborough this 12th day of May 2010.

**MEMORANDUM OF AGREEMENT BETWEEN
TOWNSHIP OF HILLSBOROUGH AND HILLSBOROUGH TOWNSHIP PUBLIC
WORKS EMPLOYEES ASSOCIATION, BLUE COLLAR UNIT**

THIS MEMORANDUM OF AGREEMENT, by and between the TOWNSHIP OF HILLSBOROUGH (hereinafter referred to as the "Township" or "Employer") and HILLSBOROUGH TOWNSHIP PUBLIC WORKS EMPLOYEES ASSOCIATION, BLUE COLLAR UNIT (hereinafter referred to as "Association"), made and entered into on this 11th day of MAY 2010.

WHEREAS, the parties above have engaged in negotiations in good faith in an effort to arrive at a successor agreement to a contract that expired on December 31, 2009 and,

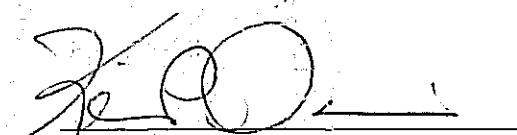
WHEREAS, the parties have arrived at a tentative agreement.

NOW, THEREFORE, and in consideration of the mutual covenant contained herein, the parties hereinabove referred hereby stipulated and agree as follows:

1. The provisions of this Memorandum of Agreement are subject to ratification by the respective parties to the contract.
2. The signatures below agree to recommend this Memorandum for ratification by their respective constituencies.
3. A copy of this Memorandum has been furnished to representatives of the Authority and the Union.
4. All proposals not covered herein made by either party during the course of negotiations have been deemed withdrawn.
5. All provisions of the prior Agreement shall be carried forward, except as hereinafter provided.
6. Unless otherwise notified, all dates involving the duration of the Agreement shall be conformed to the duration of the proposed negotiated Agreement.

7. The Township and the Association agree to extend this Agreement till December 31, 2010.
8. The Association agrees to freeze their salaries for 2010 at the base salary rate they were making as of December 31, 2009 and all of the salary step/salary guide/longevity shall remain as stipulated in the previous collective bargaining agreement that is extended to December 31, 2010 (for example, a step 1 goes to step 2, a step 2 to step 3, etc.)
9. In consideration of such, the Township agrees that there shall be no furloughs and/or layoffs of members of the Association through December 31, 2010.
10. Effective May 21, 2010, all members of the bargaining unit shall contribute 1.5% of pensionable base (non-overtime) salary as a health benefit contribution. In the event a court of competent jurisdiction grants a stay of enforcement or voids the provision of the statute (P.L. 2010, c. 2), the contributions will cease until such time as the contributions are deemed valid or December 31, 2010, whichever comes first.
11. All other provisions of the existing collective bargaining agreement between the Township and the Association, except as modified herein, shall remain in effect through December 31, 2010.

ATTEST:


Kevin Davis, Township Administrator

TOWNSHIP OF HILLSBOROUGH

By: 
Frank DelCore, Mayor

ATTEST:


Michael J. Carron

HILLSBOROUGH TOWNSHIP PUBLIC
WORKS ASSOCIATION

By: 
Mill R. Galt

AGREEMENT

between

THE TOWNSHIP OF HILLSBOROUGH

and

THE HILLSBOROUGH TOWNSHIP PUBLIC WORKS EMPLOYEES

ASSOCIATION

BLUE COLLAR UNIT

JANUARY 1, 2006 THROUGH DECEMBER 31, 2009

ERIC M. BERNSTEIN & ASSOCIATES, L.L.C.
Two North Road, P. O. Box 4922
Warren, New Jersey 07059-4922
732-805-3360
732-805-3346 (Fax)

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This Agreement, made this _____ day of _____, 2006, by and between THE TOWNSHIP OF HILLSBOROUGH, a municipal corporation of the State of New Jersey (hereinafter referred to as the "Township") and the HILLSBOROUGH TOWNSHIP PUBLIC WORKS EMPLOYEES ASSOCIATION, (hereinafter referred to as the "Association").

NOW THEREFORE, it as agreed as follows:

ARTICLE I

RECOGNITION

A. The Township hereby recognizes the Association as the exclusive representative for collective negotiations concerning wages, hours of employment and other terms and conditions of employment as set forth herein for all Blue Collar employees in classifications appended hereto as Appendix A who are employed by the Township, excluding all supervisors, managerial executives, confidential employees and all other employees, except such additional classifications as the parties may later agree to include.

B. Unless otherwise indicated by the contents of this Agreement, the title "employee" shall be defined to include all bargaining unit members, the plural as well as the singular, and to include males as well as females.

ARTICLE II

DUES CHECK-OFF

The Township agrees to deduct from the salaries of its employees subject to this Agreement dues for the Association members. Such deductions shall be made in compliance with N.J.S.A. 52:14-14-19(e), as amended. Said monies together with records of any corrections, shall be transmitted to the Association office on or before the 15th of the month following the month in which deductions were made.

If there shall be any change in the rate of membership dues during the life of this Agreement, the Association shall furnish to the Township written notice 30 days prior to the effective date of such change.

The Association will provide the necessary check-off authorization forms and the Association will secure the signatures of its members on the forms and deliver the signed forms to the designated Township officials, as provided in N.J.S.A. 52:114-15 (e) as amended. The Association shall indemnify, defend and save the Township harmless against any and all claims, demands, suits or other forms of liability that may arise out of or by reason of action taken by the Township in reliance upon the salary deduction authorization cards submitted by the Association to the Township or any action taken by the Township under the provisions of the Article.

Any and all dues deduction notifications to the Township, pursuant to this Article, whether it be the initial notification or notice of a change, shall be forwarded to the appropriate Township official(s) on Association letterhead and signed by the appropriate Association official(s).

ARTICLE IIA

AGENCY SHOP

- A. Any new employee(s) who do not join within thirty (30) days of initial employment within the unit, and any employee previously employed within the unit who does not join within thirty (30) days of re-entry into employment within the unit, shall, as a condition of employment, pay a representation fee to the Association.
- B. All employees covered by this Agreement who are presently members of the Association will continue to at least pay a representation fee to the Association, as set forth in this Article, for the duration of the Agreement. All employees covered by this Agreement who remain in their current position and who are not members of the Association may continue not being members of the Association for the duration of the contract and will not be required to pay the representation fee, in accordance with State law, for the duration of the Agreement. All employees covered by this Agreement who are hired after December 1, 1985, as a condition of their employment, must at least pay the agency shop representation fee, as set out in this Article.
- C. The representation fee shall be in an amount equal to eighty-five (85%) of the regular Association membership dues, fees, and assessments as certified to the Employer by the Association.
- D. The Association may revise its certification of the amount of the representation fee at any time to reflect changes in the regular Association membership dues, fees and assessments.
- E. It is understood that a person paying a fee under an agency shop agreement may obtain a rebate for that portion of his fee which is used for partisan political or ideological purposes.
- F. The Association shall establish and maintain at all times a demand and return system, as provided by N.J.S.A. 34:13A-5.5 (c) and 5.6, and membership in the Association shall be available to all employees in the unit on an equal basis at all times, except as noted above. In the event the Association fails to maintain such a system, or if membership is not so available, the Township shall immediately cease making said deductions.
- G. The Association shall indemnify, defend and save the Township harmless against any and all claims, demands, suits or other forms of liability that may arise out of or by reason of action taken by the Township under the provisions of this Article.
- H. Any and all agency shop deduction notifications to the Township pursuant to this Article, whether it be the initial notification or notice of a change, shall be forwarded to the appropriate Township official(s) on Association letterhead and signed by the appropriate Association official(s).

ARTICLE III

MANAGEMENT RIGHTS

- A. The Township 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/or of the United

States, including, without limiting the generality of the foregoing and not limited to, the following rights:

1. Executive, management and administrative control of Township government and its properties, facilities, and activities of its employees who utilize personnel methods and means of the most appropriate and efficient manner possible as may from time to time be determined by the Township.
2. To make rules of procedure and conduct, to improve methods and equipment to determine work schedules and shifts, to decide the number of employees needed for any particular time, and to be in sole charge of the quality and quantity of the work required.
3. The right of management to make such reasonable rules and regulations as it may from time to time deem best for the purposes of maintaining order, safety and/or the effective operations of the Township, *and* after advance notice thereof to the employees, the right to require compliance of the employees is recognized.
4. To hire all employees, to promote, transfer, assign, and/or retain employees in positions within the Township covered by this Agreement.
5. To suspend, demote, discharge or take any other appropriate disciplinary action against any employee covered by this Agreement for good cause according to law.
6. To lay off employees covered by this Agreement in the event of lack of funds or under conditions where continuation of such work would be inefficient and non-productive.
7. The Township reserves the right, with regard to all the conditions of employment not reserved, to make such changes as it deems desirable and necessary for the efficient and effective operation of the Township.

B. The exercise of the foregoing powers, rights, authority, duties and responsibilities of the Township, the adoption of policies, rules, regulations, codes of conduct, and practices in furtherance thereof, and the use of judgment and discretion in connection therewith, shall be limited only by the specific and express terms of this Agreement and then only to the extent that such specific and express terms hereof are in conformance with the Constitution or Laws of the State of New Jersey and/or of the United States.

C. Nothing contained herein shall be construed to deny or restrict the Township of its rights, responsibilities and authority under N.J.S.A. 40:1-1 et. seq., N.J.S.A. 40A:1-1 et. seq., or any other National, State, County, or Local laws or regulations.

ARTICLE IV

MAINTENANCE OF WORK OPERATIONS

A. The Association and employees covered by this Agreement hereby covenant and agree that, for the duration of this Agreement, neither the Association nor any person acting on its behalf shall authorize or support any strike (i.e. the concerted failure to report for duty or willful absence of any employee from his position, or stoppage of work, or absence in whole or in part, from the full, faithful and proper performance of the employee's duty of employment), work

stoppage, slow-down, walk-out or other illegal job action against the Township.

B. In the event of a strike, slow-down, walk-out or job action, it is covenanted and agreed that participation in any or all such activities by the employee shall be deemed grounds for discipline including possible termination of such employee(s), which discipline may be imposed by the Township.

C. The Association and its members hereby agree that it will make every reasonable effort to prevent people covered by this Agreement from participating in any strike, work stoppage, slow-down, or other activity aforementioned or supporting any such activity by any other employee or group of employees of the Township, and that the Association will publicly disavow each action and order all such members who participate in such activities to cease and desist from same and immediately return to work, and take such other steps as may be necessary under the circumstances to bring about compliance with this Agreement.

D. Nothing contained in this Agreement shall be construed to limit or restrict the Township in its rights to seek and obtain such judicial relief as it may be entitled to have in law or in equity for injunction or damages or both, in the event of such breach by the Association or its members.

ARTICLE V

SAVE HARMLESS CLAUSE

The Association agrees to indemnify and hold the Township harmless against any and all claims, suits, orders, or judgments brought or issued against the Township as a result of any action by the Township under the provisions of this Agreement.

ARTICLE VI

PROBATION

A. All newly-hired employees shall be subject to a three (3) month probationary period. All employees hired on or after January 1, 2007 shall be subject to an initial probationary period of six (6) months. The purposes of said probationary period is to enable the Township to evaluate the employee's work performance and conduct in order to determine whether or not the employee merits permanent employment status. At any time during or at the end of the probationary period, the employee may be terminated for any reason whatsoever. The decision of the Township regarding the termination of employees who are probationary in status shall not be subject to the grievance procedure nor shall probationary employees have any other recourse in law or equity.

B. Notwithstanding the aforesaid, the Township Committee may, in its sole discretion, determine that there is a need for an additional three (3) month probationary period for a particular employee and assign said employee such additional period. In the event that such extension shall be given to an employee, and the Township later determines the employee has met the appropriate standards, the Township may, in its sole discretion, end the probationary period at any time, giving said employee the status of a permanent employee from the end of the first six (6) month period.

C. Personal days, vacation benefits, holiday pay, and any other employee benefits given to permanent employees under this contract, will begin to accrue for probationary employees after

the three (3) months of service with the Township, but cannot be taken until after permanent status is obtained unless approved by the Township Administrator or designee. However, there are benefits given to permanent employees, which may also be granted to probationary employees during their term of probation as set forth in this Agreement.

D. During said first three (3) month period of probation, the employee shall not have any of the employee benefits given permanent employees unless set forth in this Agreement.

E. Probationary employees with three (3) or more months of service are eligible for holiday pay.

ARTICLE VII

HOURS OF WORK AND OVERTIME

A. The work week shall consist of five (5) consecutive days. For payroll purposes, the work week shall commence every Monday morning at the employee's regularly scheduled starting time.

B. The Township reserves the right to institute a standardized forty (40) hour work week for all employees covered under this Agreement.

ARTICLE VIII

SENIORITY, PROMOTIONS, JOB VACANCIES & TRANSFERS

A. Definitions

1. Seniority is defined as an employee's length of service with the Township beginning with the employee's latest date of commencing work with the Township.

2. Newly appointed probationary employees shall have no seniority and shall not be eligible for seniority in terms of this Agreement until they have completed the probationary period, seniority shall accumulate until there is a break in the employee's service.

3. A break in service occurs when an employee resigns, is discharged for cause, is on leave of absence, exclusive of sick leave, retires, or is laid off. An employee who is reinstated after a break shall commence their seniority as of the date of their return without any concern toward their prior service.

4. For purposes of this Agreement, an employee who is absent without leave for five (5) consecutive days or who fails to notify the Township regarding a return from any leave of absence, including sick leave, shall be considered to have resigned from Township employ.

B. 1. If new jobs are created or if vacancies occur of at least a thirty (30) day duration, the Township shall determine the qualifications required for such position.

2. The Township agrees to post a notice of any new job or vacancy on the Association bulletin board for a period of five (5) working days. Such notice shall contain a description of the

job, hours of work, rate of pay and location, and when the job shall be available. Employees who are interested, in order to be eligible for such job, must sign the notice. Any employee who fails to sign the notice shall not be eligible for the vacancy or position in question. Preference will be granted on the basis of departmental seniority for Blue Collar positions, provided that the applicant has the necessary skills and ability to perform the work required as determined by the Township. However, all other employees are eligible to bid. If a bidder is a successful applicant for the position in question, said employee will be notified by a memorandum; and, thereafter, a notice will be placed on the bulletin board within five (5) working days after the expiration of the five (5) working days required for the posting of such notice.

C. Any employee so selected to fill such job shall be granted a training period of sixty (60) calendar days. If it shall be determined by the Township during this period that the employee is unqualified to perform the duties to which he is promoted, the Township shall place the employee in his former position or a position equivalent thereto. The promoted employee shall receive the rate for the job in question as of the day that person begins the training period. If removed from the position, during or at the end of the training period, the employee in question shall then receive the rate of the position to which the employee is assigned following his removal.

D. All permanent employees shall be given a forty-five (45) day written notice prior to layoffs. In the event of a layoff, Blue Collar workers with the most departmental seniority will have preference provided that they have the requisite qualifications, skills and ability to perform the work available. The determination of whether an employee has the requisite qualifications, skills and ability to perform the work available shall be within the sole discretion of management. Such determinations shall not be unreasonable, arbitrary, capricious or discriminatory.

E. The Township shall draw up an initial seniority list within thirty (30) days after the signing of this Agreement and such list will be posted on the Association bulletin board at that time. All employees covered by this Agreement who object to the said list shall inform the Township of said objections within thirty (30) days after the posting of such list. At the end of the thirty (30) day period, the list shall be binding on all employees. The seniority list will be updated every six (6) months.

ARTICLE IX

GRIEVANCE PROCEDURES

A. A grievance is a claim by an employee based upon and limited to an alleged violation of the express terms and conditions of this Agreement. Notwithstanding the above definition of "grievance", any dispute involving the following shall not be subject to this procedure:

1. Any matter, which, according to law, is beyond the power of the Township or the Township Committee.
2. Matters which have a specific remedy in law.

B. It is understood that the grievant shall, during and notwithstanding the pendency of any grievance, continue under the direction of his or her superintendent and supervisors, perform all assignments and adhere to all policies, procedures, rules and regulations of the Township, until such grievance and the effect thereof shall have been fully determined.

C. The purpose of this procedure is to secure at the lowest possible level, an equitable settlement of the problems which may arise affecting the terms and conditions of this Agreement. The parties agree that this procedure will be kept as informal as may be appropriate. Nothing contained herein shall be construed as limiting the right of any employee having a grievance to discuss the matter informally with any appropriate member of the department, and having the grievance adjusted without the intervention of the Association.

D. Failure by management to communicate a decision at any step within the time limits set forth in the procedure shall be deemed a denial of the grievance and the grievance shall go to the next higher step.

E. Failure by the employee or the Association at any step to appeal the grievance to the next step within the specified time period shall be deemed a forfeiture of the right to process the grievance to the next higher step.

F. Steps of the Grievance Procedure.

The Steps shall be followed in their entirety unless any step is waived by mutual consent:

STEP ONE

1. An aggrieved employee shall institute action under this provision hereof, in writing, within twenty-one (21) calendar days of the occurrence of the grievance and an earnest effort shall be made to settle the differences between the aggrieved employee and his supervisor for the purpose of resolving the matter informally. Failure to act within the said twenty-one (21) calendar days shall be deemed to constitute an abandonment of the grievance.

2. The supervisor, or his designee, shall render a decision in writing within fourteen (14) calendar days after the grievance is first presented to him, if it cannot be handled informally.

STEP TWO

If the grievance has not been resolved through Step One, the grievance shall be presented in writing to the department head, or his designee, within seven (7) calendar days after the supervisor's response is due. The department head shall respond in writing within seven (7) calendar days. In the event, the supervisor and the department head are the same individual, Step Two will be omitted and the matter will proceed to Step Three.

STEP THREE

If the aggrieved wishes to appeal the decision of the department head, or his designee, the grievance should be presented to the Township Administrator or his designee, within seven (7) calendar days after receiving the department head's or his designee's decision. The Township Administrator or his designated representative shall schedule a meeting to review the matter and shall present a decision, in writing, within fourteen (14) calendar days after the receipt of such grievance.

STEP FOUR

If the grievance is not settled through Step Three, then the grievant may petition for

final resolution of the grievance directly to the Township Committee. The request for resolution shall be filed in writing, with the Township Clerk within seven (7) calendar days of the receipt of the Step Three decision. The Township shall then arrange a mutually acceptable time for a grievance hearing within fourteen (14) calendar days after the receipt of said request. The Township Committee shall hear only one (1) grievance on only one (1) issue per hearing. No multiple grievance hearing will be permitted unless by written consent of the Association and the Township prior to the commencement of the hearing. The Township Committee shall render a written decision within thirty (30) calendar days after the hearing.

STEP FIVE

1. If the grievance is not settled at Step Four, the matter may be referred by the Association to arbitration within fifteen (15) working days of the decision at Step Four. An arbitrator shall be selected in accordance with the procedure of the Public Employment Relations Commission. For purposes of this Step Five of the Grievance Procedure, working days shall be defined as Monday through Friday, whether or not the employee works a Monday through Friday schedule.

The decision to refer a grievance to arbitration pursuant to this Step Five shall be within the sole discretion of the Association; the individual grievant(s) per se may not pursue a grievance beyond Step Four.

2. Unless the parties agree otherwise, no more than one (1) issue shall be presented to an arbitrator in any single case.

3. The fees and expenses of the arbitrator shall be borne equally by the parties. Any other expenses incurred by the parties, including but not limited to the presentation of witnesses, shall be borne by the party incurring same.

4. The arbitrator shall be bound by the terms and conditions of this Agreement and shall not have any power to add to, subtract from, or in any way modify any of the terms of this Agreement.

5. The decision of the arbitrator shall be in writing with reasons therefore and shall be binding upon the parties, subject however, to any applicable statutes and case law available to the parties.

6. Association Representation at the Grievance Procedure:

The employee may, at his option, be represented by the shop steward and/or the local president at Steps One through Three of the grievance procedure, and by the shop steward and/or local president and the Hillsborough Township Public Works Employees Association representative at Step Four.

7. Either the Township or the Association may waive any steps of the grievance procedure, but said waiver can only be done in writing and with the consent of the other party in question.

8. The time limits set forth herein shall be strictly adhered to. If any grievance has not been initiated within the time limits specified, the grievance shall be deemed to have been waived. If any grievance is not processed to the next succeeding step in the grievance procedure within the time limits prescribed, then the disposition of the grievance at the prior step shall be deemed to be conclusive. Nothing herein shall prevent the parties from mutually agreeing to extend or contract

the time limits provided for processing the grievance at any step in the grievance procedure.

9. For suspensions of more than one (1) day, the Township shall not impose such suspension for either five (5) days of its effective date or until the Union has the opportunity to appeal to the Administrator, whichever comes first.

10. All suspensions shall be served within three (3) months of its occurrence at the discretion of the Public Works Director.

ARTICLE X

OVERTIME

1A. Employees covered under this Agreement who work a forty (40) hour workweek will be entitled to be paid overtime at a rate of time and one-half (1-1/2) times the employee's prevailing rate of work done in excess of forty (40) hours in each week. Paid holidays, paid sick days and paid vacation days may be counted toward the forty (40) hours for purposes of overtime with the number of hours per day being assigned to said paid leave days equalizing the number of hours in the employee's normal workday.

1B. Employees who are required to work when the municipal building is closed due to an emergency will be paid overtime at the rate of time and one-half (1-1/2) times the employee's prevailing rate of work.

1C. Effective March 1, 2004, double time will be paid for every hour worked after sixteen (16) consecutive hours worked.

2A. Hourly rates to be computed based on a 2080 hours per year basis, irrespective of leap year.

2B. Pursuant to the Stipulation of Settlement in Brandt et. al v. Hillsborough, the overtime hourly rate will be calculated on total salary, ie. Base salary plus longevity pay.

2C. In computing compensation for purposes of overtime, the nearest one quarter (1/4) hour shall be the smallest fraction of an hour to be reported.

3. A rotating overtime list will be utilized. Enforcement of this list will be through the grievance procedure.

ARTICLE XI

VACATIONS

A. All permanent employees shall be entitled to vacation leave based on their years of continuous service. Periods of a leave of absence without pay, except for military leave, shall be deducted from the employee's total continuous service for purposes of determining the earned credit for vacation leave.

Vacations with pay shall be granted to employees as follows:

From commencement of work to December 31st of the year of appointment:

An employee shall accumulate one (1) day a month after the first two (2) months of employment, but said vacation days or pay does not vest until employee has been employed six (6) months.

- 1 year through 5 years.....10 working days.
- Upon completion of 5th year.....15 working days.
- Upon completion of 10th year.....20 working days
- Upon completion of 20th year.....25 working days.

Effective January 1, 2006, add a vacation leave level of twenty-two (22) working days after the completion of fifteen (15) years.

Requests for vacation leave between December 1st and April 1st must follow these procedures:

- a. Only two (2) employees per week can be out on vacation leave, with a maximum of seven (7) consecutive work days vacation leave for each employee during the period above.
- b. Employees on vacation shall not be subject to call-back or emergencies unless a state of emergency is declared by the Governor.
- c. In addition, at the sole discretion of the DPW Director, a third employee may be allowed on vacation leave, during the period of December 1st and April 1st, for a maximum of seven (7) consecutive work days vacation leave based on seniority.
- d. The three (3) employees referred to above shall not be subject to call back emergencies per Article XXXI, §C of the existing contract.
- e. Employees may be permitted, at the sole discretion of the DPW Director, to take more than seven (7) days vacation leave during the December 1st through April 1st time period. No more than seven (7) work days may be taken consecutively.

B. An employee shall receive vacation time in accordance with the anniversary date in any calendar, regardless of when during the year the anniversary falls. If an employee leaves the employ of the Township in a year in which he changes steps in the vacation schedule, but prior to reaching his anniversary date, any extra vacation time taken but not yet earned will be owed to the Township and his pay will be adjusted accordingly. The rate of vacation pay for employees shall be the employee's regular straight time rate of pay in effect for the employee's regular job and the pay day immediately preceding the employee's vacation.

C. All vacations must be taken during the current year and may not be accumulated. However, if an employee is unable to utilize his full vacation entitlement because of needs of the Township, and with the approval of the Township Administrator, the employee shall be permitted to carry over a maximum of five (5) unused vacation days into the following year. The unused vacation carry-over must be taken during the year of carry-over or it will be forfeited.

D. All earned vacation credits which are not used due to retirement, retirement due to disability, or death, shall be paid to the employee or his next-of-kin on the retirement, disability retirement, or death of the employee.

E. All vacations must be scheduled and approved by the Township Administrator, or his

designee. It is his responsibility to schedule individual vacations so that the activities of the Township may be carried out without interruption or inconvenience. Employees with seniority within the Township will be given first preference in assignments of vacations insofar as possible depending upon the departments in which the employee is working and the needs of the Township. In order to exercise seniority in vacation selection, all blocks of time or individual days must be scheduled between January 1st and March 1st. After March 1st, vacation time shall be scheduled on a first come basis.

F. In the event an employee has used vacation which was not earned, at the time of his resignation or termination, the Township shall be reimbursed for said unearned vacations days.

G. Pay in lieu of vacation will not be granted by the Township.

H. When an employee is out due to illness and has no accumulated sick leave to cover such illness, he may apply any unused vacation leave to cover said lost days due to illness.

I. Employees called back to work while on vacation shall receive pay at the rate of one and one-half (1-1/2) times the employee's regular time for the period worked and another vacation day will be scheduled in accordance with the normal terms of the within policy.

ARTICLE XII

HOLIDAYS

A. There shall be fifteen (15) paid holidays during the term of this Agreement. The following days will be recognized as holidays under this Agreement:

New Year's Day	Labor Day
Dr. Martin Luther King Day	Day after Thanksgiving
Lincoln's Birthday	Christmas Day
Washington's Birthday	Day preceding Christmas Day
Good Friday	Columbus Day
General Election Day	Thanksgiving Day
Memorial Day	Veterans Day
Independence Day	

Effective calendar year 2007, Election Day shall no longer be a holiday. Employees covered by this Agreement shall be entitled to a Floating Holiday in lieu thereof.

B. In the event a holiday falls on a Saturday, it shall be celebrated on the preceding Friday.

C. In the event a holiday falls on a Sunday, it shall be celebrated on the following Monday.

D. Whenever a holiday falls during the time an employee is on a paid sick leave that day will not be charged against his sick leave.

E. Employees who are on leave of absence without pay will not be eligible for holiday pay.

F. In order to qualify for holiday pay, employees must work their scheduled work day immediately preceding and scheduled work day immediately following the holiday or holiday

weekends unless on excused absence.

G. All authorized work performed on a holiday shall be paid for at double time the employee's regular time plus that holiday pay to which the employee is entitled.

H. If a special holiday, not covered by this or any other contract/Agreement, is declared by the Mayor and the Township Committee, unit members shall be entitled to such holiday in addition to those listed in this Agreement.

I. If the President of the United States declares a national holiday or national day of mourning, public works employees shall either be entitled to the holiday off or holiday pay at the Township's discretion.

J. Employees entitled to a Floating Holiday shall use such in the same manner as vacation leave; however, they shall not be permitted to carry such over from year to year.

ARTICLE XIII

LONGEVITY

A. All full-time Township employees, in addition to the annual salary, shall be paid with their base pay during each pay period longevity payments based upon the following scale:

<u>Years Completed</u>	<u>Percentage of Base Salary</u>
Upon completion of 5 years.....	2% of base salary
Upon completion of 10 years.....	4% of base salary
Upon completion of 15 years.....	6% of base salary
Upon completion of 20 years.....	8% of base salary

B. There is hereby established a new longevity schedule for employees hired after May 23, 1995 as follows:

<u>Years Completed</u>	<u>Percentage of base salary</u>
Upon completion of 5 years.....	1% of base salary
Upon completion of 10 years.....	2% of base salary
Upon completion of 15 years.....	3% of base salary
Upon completion of 20 years.....	4% of base salary

ARTICLE XIV

PERSONAL LEAVE

A. In regard to personal leave, the following regulations apply:

1. All personal days must be requested in writing at least two (2) full working days in advance except in cases of emergency.
2. All employees covered by this Agreement shall be eligible for three (3) days personal leave per year, with pay, for personal matters concerning the employees as delineated

below.

3. Employees are required to submit a form provided by the Township and said granting of leave shall not interfere with the efficient operation of the Township.

4. One or more of the following categories are eligible reasons for taking personal days:

- a. Death (except as indicated in Article XXI).
- b. Court orders.
- c. Religious observances.
- d. Personal affairs of a non-recreational nature and personal affairs or professional affairs which cannot be carried out after scheduled work hours.

B. Personal leave shall not be accumulated from year to year.

ARTICLE XV

HEALTH BENEFITS

A. The Township shall provide to each member covered under this Agreement full coverage as currently in existence. Coverage shall be extended to the entire family of the employee, including spouse, and all unmarried and unemancipated children, whether naturally borne or adopted and any step-children, who have not yet attained the age of twenty-three (23) years and are actually members of the employee's immediate household.

B. Effective upon execution of the within Collective Bargaining Agreement, the new co-pays and deductibles for health insurance shall be as follows:

HMO

Co-Pay for Doctor's visits	\$10.00
Prescription Co-Pay	\$ 5.00 for Generic \$10.00 for Brand Name
Emergency Room Co-Pay	\$20.00 In Area \$30.00 Out of Area

POS

Co-Pay for Doctor's visits	\$15.00
Out of Network Deductible	\$125.00 Single \$250.00 Family

Traditional

Out of Network Deductible	\$125.00 Single \$250.00 Family
---------------------------	------------------------------------

The above changes to the health insurance co-pays and deductibles shall be uniformly applied to all exempt employees, including department heads.

C. Effective January 1, 2004, a voluntary "opt-out/opt-down" plan for dual coverage employees shall be established for health and dental insurance with the employee receiving twenty-five percent (25%) of the applicable premium for such voluntary opt-out. Any employee

who opts out in accordance with this Article XV(C) shall be given the opportunity to re-enroll during the open enrollment period and to automatically re-enroll if their spouse's coverage is terminated. Prior to allowing an employee to opt-out, the employee must show proof of alternate insurance coverage. An employee who opts out for a period less than a full year shall be entitled to receive a pro-rata share of the applicable premium.

D. The Township reserves the right to change insurance carriers and/or self-insure so long as substantially similar benefits are provided.

ARTICLE XVI

REST PERIODS

A. Employees within this bargaining unit may take two (2) coffee breaks (one in the morning and one in the afternoon) of not more than fifteen (15) minutes each for each day of work at times scheduled by the immediate supervisor.

B. A rest period may not be used to cover an employee's late arrival to work or early departure, nor may it be regarded as accumulative if not taken.

C. Employees may take a coffee break of not more than fifteen (15) minutes after working more than three (3) hours during an emergency situation.

ARTICLE XVII

SICK LEAVE

A. Sick leave shall be defined as an absence of an employee from post or duty because of illness, accident, or exposure to contagious disease. An employee shall not be eligible for sick leave under this Agreement if the accident or injury occurs while the employee is being employed by a company or organization other than the Township of Hillsborough. Sick leave may be taken for illness of a member of the immediate family which is understood to mean spouse, children, or parent.

B. Regular, permanent full time salaried employees of the Township shall be eligible to accumulate sick leave on the basis of one (1) day for each month worked, to a maximum of twelve (12) days per year. In the first year of employment, employees shall be entitled to two (2) days of sick leave after they have worked for two (2) months and one (1) day of sick leave for each month thereafter. Sick leave credit shall not accumulate while an employee is on leave whether with or without pay. Part-time, temporary and probationary employees shall not be entitled to sick leave.

C. The Township may require proof of illness from the employee on sick leave where such requirement appears reasonable. Abuse of sick leave shall be cause for disciplinary action. In cases where illness is of a recurring or chronic nature, causing recurring absences of one (1) day or less, the Township reserves the right to require competent medical evidence at the Township expense to be submitted prior to the reinstatement of said employee and also reserves the right to have the employee examined by the Township physician before returning to duty.

D. NOTIFICATION

1. All absences due to illness or disability shall be reported immediately by or for the employees to the Township Administrator or the department head, or his designee, with the indication of the expected duration of such illness or disability. An employee shall notify his immediate supervisor within one-half (1/2) hour after the start of the regularly scheduled shift that the employee is going on sick leave.

2. Failure to report absences on the part of any employee may be cause for disciplinary action and may result in the employee's pay being docked for the day.

3. If an employee is unable to report such illness, a relative or other responsible person shall notify the Township of all pertinent facts.

4. Members of the Township covered by this Agreement, when sick or injured, shall be responsible for notifying their supervisors as to their place of confinement or any subsequent change in their place of confinement. If unable to report such, a relative or other responsible person shall notify the Department with all pertinent facts.

E. Sick days are not accumulated in advance of time earned. Sick leave not used in a calendar year shall accumulate into the following year, but no payment shall be made upon employee termination or at any time for unused sick leave which the employee has accumulated, except as hereinafter set forth.

F. When an absence due to illness or injury does not exceed three (3) consecutive days, normally the employee's statement of the cause will be accepted without a supporting statement by the attending physician. Any absence due to illness or injury in excess of three (3) consecutive days may, in the discretion of the Township Administrator, department head, or their designee, require a written statement from the attending physician. The Township also reserves the right to require the employee to be examined by the Township physician and certified as fit for duty before returning to work.

G. An absence due to illness on a Monday or a Friday or the day preceding or following a paid holiday may require written statement from the attending physician where the Township has previously notified the employee of such requirement. Except as otherwise provided by law, any employee covered by this Agreement who shall be absent from duty without just cause or leave of absence for the continuous period of five (5) days, shall cease to be an employee of the Township.

H. No employee, while on sick leave from the Township, shall be elsewhere or otherwise employed or engaged in any outside work or employment whatsoever.

I. The Township may, at its discretion, schedule medical examinations for all Township employees annually, or more frequently, if the Township deems it necessary.

J. Employees shall be permitted to accumulate unused sick leave during an employee's tenure for purposes of receiving terminal pay at time of retirement, resignation and/or layoff, not termination for cause. Upon any employee leaving Township service as denoted above, any accumulated sick leave shall be paid to the employee based on the rate of one (1) day's compensation for each three (3) days of accumulated sick leave to a maximum of Seven Thousand Five Hundred (\$7500). If an employee dies prior to his leaving service, the accumulated sick leave

benefits due him shall be paid to his estate. Employees must be "vested" in order to be eligible, which is defined as at least ten (10) years of continuous service to the Township.

K. Employees who at the end of the calendar year have not utilized any sick days during the preceding twelve (12) calendar months will receive a cash payment in January of \$100.00. Those employees who have utilized three (3) or less days during the same time will receive a \$50.00 cash payment.

L. Once all accumulated sick leave has been used for a sickness, the employee may apply any unused vacation leave to cover such sickness.

M. If an employee sustains an injury or illness, he will be continued without loss of pay for a maximum of one (1) year from the date of the disability or accident. An employee will be eligible for such leave of absence if it is due to a job injury as defined in the New Jersey Workers Compensation Law. Payments which an employee receives pursuant to provisions of the Workers Compensation Law or temporary disability laws shall either be remitted to the Township or used as an offset to full salary payments.

N. Members of the Township who absent themselves in an improper manner shall be subject to disciplinary action being preferred against them.

O. Employees covered by this Agreement, under certain qualifications, will be entitled to receive a physical provided for the Township. Persons over the age of 40 will be entitled to receive one (1) physical per year paid for by the Township. Employees under the age of 40 will be able to receive one (1) paid physical every three (3) years. To be eligible for such physicals, employees must have such physical performed by the Township designated physician and must be cleared by the Administrator prior to the physical taking place. In addition, no other person, other than the employee, will be entitled to such physical and only while in the employ of the Township. Said request for physical must be in writing to the Administrator in order to be eligible to receive approval for such.

ARTICLE XVIII

OCCUPATIONAL INJURY

A. Any employee who is disabled because of occupational injury shall be granted a leave of absence with full pay. Employees who are absent in accordance with the above, due to a job injury as defined in New Jersey Workmen's Compensation Law, will be reimbursed to the date of the injury, when substantiated by the Township physician. Any amount of salary or wages paid or payable to such an employee for disability leave shall be reduced by the amount of Workmen's Compensation paid under the New Jersey Workmen's Compensation Act, for temporary disability. Such leave shall be limited to a maximum of one (1) year from the date of injury.

B. Employees returning from authorized leave of absence as set forth above will be restored to their original job classification and shift at the then appropriate rate of pay with no loss of seniority or other employee rights, privileges or benefits.

ARTICLE XIX

NON-PAID LEAVES OF ABSENCE

- A. All leaves of absence without pay shall be at the discretion of the Township Committee.
- B. Employees returning from authorized leaves of absence as set forth above will be restored to their original classification at the then appropriate rate of pay, with seniority continued retroactively, exclusive of the period of absence, and no loss of other employee right, privileges, or benefits, provided, however, sick leave, vacation leave, holiday pay and longevity shall not accrue.

ARTICLE XX

JURY LEAVE

- A. Any permanent full-time employee covered by this Agreement who is required to serve on a jury, shall be granted a leave of absence with pay to serve on said jury. During the time that he is serving on said jury, the employee shall receive his pay from the Township. The amount of pay to be difference between full pay and jury pay. The employee shall be paid only for actual time required to serve on jury duty, and, if there are times the employee isn't scheduled for jury duty, then he must report for work. If excused before 11:00 am for that day, the employee shall report for work.
- B. All requests for jury leave must be filed with the department head within three (3) days from receipt of the summons. Certification of jury service following jury duty shall be submitted to the department head and placed in the Personnel History file.

ARTICLE XXI

BEREAVEMENT LEAVE

- A. In the event of death in the employee's immediate family, the employee shall be granted time off without loss of pay from the date of death or the day of the funeral, but in no event shall such leave exceed four (4) working days.
- B. The term "immediate family" includes wife, husband, daughter, son, father, mother, brother, sister, grandfather, grandmother, grandchild, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, step-father, step-mother, step-brother, step-sister, step-child, domestic partner or relative who is regularly living in the employee's household.
- C. All employees covered by this Agreement shall be entitled to one (1) work day leave without loss in pay to attend the funeral of anyone in the "non-immediate family" which is defined to mean the employee or spouse's aunt, uncle, niece or nephew or spouses' grandparents.
- D. But in no event shall employees be paid for more than eight (8) hours in any one work day and such bereavement leave pay shall be at employee's regular rate. Proof of death shall be submitted by the employee to the Township to qualify. If a member of the employee's family is buried outside the State of New Jersey and the employee does not attend said funeral, then the employee will receive only one (1) day's paid leave.

E. It is the intention of this Article that an employee will suffer no loss of regular pay for the time period specified above. In the event, however, the employee is already receiving payment in the form of vacation pay or other compensation from the Township, bereavement leave will not be granted.

ARTICLE XXII

MILITARY LEAVE

A. Any full-time employee covered by this Agreement who is a member of the United States Reserves, or a State National Guard, and is required to engage in annual active duty training, shall be granted a leave of absence in accordance with applicable State Law.

B. The employee shall be entitled to be paid the difference between his regular Township salary and his military pay, if the military pay is less than his regular base Township pay for the period of military leave.

C. Such leave shall not exceed fifteen (15) consecutive days of training.

ARTICLE XXIII

BULLETIN BOARDS

A. The Township shall provide a bulletin board in the Blue Collar area for the purposes of Association business.

B. Notice of Association meetings, official Association business, Association social, recreational and educational events shall be the material posted by the Association. A seniority list of employees covered under this contract shall also be posted. Such notices shall be signed by an Association officer prior to posting and must be on Association letterhead. No material of a derogatory, inflammatory, insulting or demeaning nature against the Township, any employee, or official of the Township or any resident, citizen, landlord, tenant or business owner in the Township. All items shall be posted on Association letterhead.

ARTICLE XXIV

ASSOCIATION REPRESENTATIVES

A. A representative of the Association shall be admitted to the premises of the Township.

B. The Township recognizes and shall deal with the accredited Association President or his designee in all matters relating to grievances and interpretation of this Agreement.

C. A written list of the Association Officials and Stewards shall be furnished to the Employer immediately after their designation and the Association shall notify the Employer

promptly of any changes of such Association Stewards or Officials.

D. The Township agrees to recognize a maximum of two (2) Stewards selected by the Association. The Association President or his designee shall be granted a reasonable amount of time during regular working hours, without loss of pay, to present, discuss and adjust grievances with the Township, and the investigation and presentation of grievances in accordance with the provisions of the Agreement. Both parties agree that if it is necessary for the President or his designee to perform any of such duties during his work time, the President, or his designee shall be released from work by his supervisor when it is convenient to the Township and only to the extent necessary to make the investigation and for conferring with the Township representative. Neither the President nor his designee shall leave their work without first obtaining the permission of their division head, which permission shall not be unreasonably withheld.

E. The President or his designee is authorized to investigate, present, and process grievances on or off the premises, provided such activity is not disruptive of any work in which he is engaged and subject to the necessity of maintaining his schedule and not disrupting the schedule or manpower of any other member of the bargaining unit who may be involved in the grievance.

F. Any settlement of a grievance by the President or his designee and the employee's supervisor involved in the dispute shall be reviewable by the Township and the Association at the request of either, and no such settlement shall establish a precedent or conflict in any manner with the provisions of this Agreement.

ARTICLE XXV

ACCESS TO PERSONNEL FILE

A. An employee shall within five (5) working days of a written request to the Personnel Department, have an opportunity to review their personal folder in the presence of an appropriate official of the Personnel Department or its designee to examine any criticism, commendation or any evaluation of his work performance or conduct prepared by the Township during the term of this Agreement. They shall be allowed to place in such a file a response of reasonable length to anything contained therein.

B. The contents of the employee's personal history file shall not be made public unless required in disciplinary proceedings, by court order or by subpoena process in a judicial proceeding or as otherwise required by law.

C. Each regular written evaluation of work performance shall be reviewed with the employee and evidence of this review shall be the required signature of the employee on the evaluation form. Such signature shall not be construed to mean agreement with the contents of the evaluation unless such agreement is stated thereon.

D. The contents of a written evaluation of an employee shall not be subject to the grievance procedure, but said employee may confer with the Personnel Committee of the Township Committee and any determination by said Personnel Committee shall be non-grieveable.

E. The Township has established a log for each personnel file for employees covered by this Agreement which contains a list of all items in the personnel file and the date of inclusion. Said log shall continue to be maintained.

F. The Township shall maintain only one (1) set of personnel records and it shall be maintained by the Township Clerk.

G. Before any disciplinary action is placed in an employee's personnel, said employee shall be notified of such action in the presence of an Association Steward or President if the employee so desires.

H. The Association Shop Steward shall receive a copy of all disciplinary letters placed in an employee's personnel file.

ARTICLE XXVI

RULES AND REGULATIONS

A. Copies of all Rules and Regulations shall be posted on the bulletin board.

B. Where any rules, regulations or policies are in conflict with the express provisions of this Agreement, then the express provisions of this Agreement shall govern.

ARTICLE XXVII

EMERGENCY

A. In an emergency, each and every employee shall be subject to call for overtime duty and it is each employee's responsibility to cooperate and accept such overtime work, when required. Emergency is hereby defined as that period of time when the health, safety and general welfare of the public is in jeopardy.

B. The determination as to what conditions constitute an emergency will be at the discretion of the President, the Governor or the Mayor and/or their designees, and will not be subject to the grievance procedure.

C. Use of a plectron system will be put in place in case of emergency situations.

ARTICLE XXVIII

LATENESS AND ABSENCE

A. Employees have the responsibility to notify their supervisors prior to the beginning of their assigned shift if they are to be tardy or absent. A supervisor may be notified using the voicemail system. If, for some reason, the employee is unable to call prior to the beginning of his shift, he must make notification within the first one-half (1/2) hour of his assigned shift to advise them of the fact.

B If an employee fails to notify said supervisor that he is tardy or absent, he may be subject to discipline and/or the loss of pay for the period of time during which he is either tardy or absent.

ARTICLE XXIX

MEMBERSHIP PACKETS

A. The Association may supply kits or packets which contain information for distribution to new employees, including the role of the Association, the membership application and a copy of this Agreement, as well as other material mutually agreed to by the Township and the Association.

B. The Association agrees to distribute such membership kits or packets to new employees during the initial phase of employment but only during non-working hours.

ARTICLE XXX

WORK UNIFORMS

A. The Township will annually supply to all Blue Collar Workers new uniforms which shall consist of the following:

7 Shirts	7 Pair Pants
2 Coveralls (one could be insulated)	
1 Knit Hat	1 Pair Rubber Boots
2 Pair safety shoes per year (see safety shoe allowance below)	
1 Pair Rain Gear	1 Pair Gloves (more if needed at the discretion of the DPW Director).
1 Vest	1 Hooded Sweatshirt
2 Jackets	

1 Pair Winter Gloves (more if needed at the discretion of the DPW Director).

Effective January 1, 2007, add the following to the list above:

5 Safety Green (or color designated by the DPW Director) t-shirts.

Safety shoe allowance:

2006	\$300.00
2007	\$325.00
2008	\$325.00
2009	\$325.00

B. The Township will annually provide a uniform cleaning allowance as follows:

2006	\$375.00 per employee
2007	\$400.00 per employee
2008	\$400.00 per employee
2009	\$400.00 per employee

C. The Township will provide eye and ear protection.

D. The Township will provide first aid/eye wash kits, fire extinguishers and hand wash in trucks.

E. The Township agrees to replace all uniforms that are worn out or damaged beyond repair during the course of duty if the road supervisor deems it necessary.

F. New employees will begin receiving uniform cleaning allowance upon completion of the probation period. Employees will receive the uniform cleaning allowance in quarterly installments. Quarterly installments will be paid during the first pay period in January, April, July, and October.

G. Employees leaving the Township's employment within six (6) months of receipt of the annual uniform supply will be required to return that year's uniform supply in good condition. Such uniforms may be used for reassignment in a following year when agreeable to the Township and the Association.

H. The annual "boot/shoe allowance" as specified in Section B above shall be paid in full no later than the first pay period of February.

ARTICLE XXXI

CALL-BACK TIME

A. Any full time employee who is called back to work, which is not contiguous to their regular shift, shall be guaranteed a minimum of two (2) hours at time and one-half (1-1/2) pay. Such employee shall be required to work all hours, in addition to the two (2) hour minimum guarantee, which are required by the employees' supervisor.

B. When an employee is required to work more than four (4) hours past the normal work day, he/she shall be entitled to a one-half (1/2) hour non-paid break.

C. Employees with excused absences (sick, personal, vacation) cannot be called back to work. In a situation where an employee called back to work is out on a sick leave, the Township may require proof of illness as more specifically set forth in Article XVII (C) of the within Collective Bargaining Agreement.

ARTICLE XXXII

WAGES

A. The Township will pay each employee at the end of each two (2) week period. Payroll shall be calculated on the basis of 2080 hours in each year which this Agreement covers. (See Article XXXII, Section G and Article X Overtime) Overtime earned in any one pay period will be paid at the next pay period.

B. The following eight (8) categories of employees, as amended below, are utilized for the purpose of computing wages for the life of this Agreement:

1. Public Works Worker I through V
2. Equipment Operator I

3. Equipment Operator 11
4. Mechanic I
5. Mechanic II
6. Senior Mechanic

C. Wages for employees of the Public Works Department shall be as follows:

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
PUBLIC WORKS WORKER 5 (One (1) grandfathered employee <u>only</u>) (Once he retires, this step is eliminated)	\$47,795	\$48,476	\$49,202	NA*
PUBLIC WORKS WORKER 4	\$44,079	\$46,012	\$47,829	\$49,845
PUBLIC WORKS WORKER 3	\$37,898	\$38,579	\$39,305	\$39,305
PUBLIC WORKS WORKER 2	\$34,608	\$35,289	\$36,015	\$36,015
PUBLIC WORKS WORKER 1	\$30,015	\$30,015	\$30,015	\$30,015
MECHANIC 1	\$48,613	\$49,484	\$50,851	\$52,266
EQUIPMENT OPERATOR 1	\$48,613	\$49,484	\$50,851	\$52,266
MECHANIC 2	\$53,315	\$54,900	\$56,437	\$58,028
EQUIPMENT OPERATOR 2	\$53,156	\$54,577	\$55,944	\$57,359

*In 2009, the position of Public Works Worker 5 will be eliminated. Any individual holding that title shall become a Public Works Worker 4 and be paid at the appropriate rate.

SENIOR MECHANICS: All Senior Mechanics shall receive \$1,000.00 in addition to their regular pay per year at the discretion of the Public Works Director.

D. The salary increases listed above will be retroactive to January 1, 2006 for those members of the Association who were on the payroll as of January 1, 2006 or members who officially retired during the life of the contract prior to the payment of the retroactivity.

E. Individuals who have not reached the maximum step for either the new Public Works Worker IV or Equipment Operator II or Mechanic II shall receive the yearly salary increase(s) as of January 1, 2006 or other applicable January; and, on the anniversary date of hire; or, the promotion date of a Public Works Worker to Equipment Operator or Mechanic, they will receive the applicable step increase. For example, an employee hired at PWW I on February 10, 2006 will receive their 2007 salary increase on January 1, 2007 and then the step increase on February 10, 2007.

F. All employees covered by this Agreement shall be reimbursed for the cost of the Commercial Drivers License and all subsequent renewals.

G. In addition, beginning in 2007, annual salary will be paid on the basis of twenty-six (26) equal pays during the calendar year. In 2014, annual salary will be paid on the basis of twenty-seven (27) equal pays during the calendar year, such change having no effect on the hourly rate for overtime calculator as outlined in Article X. For the period from 2015 through 2020, the twenty-six (26) pay period will be used. The twenty-seven (27) pay period system shall be used in 2021 and the overall system herein will be repeated every seven (7) years.

ARTICLE XXXIII

DISABILITY INSURANCE

The Township shall obtain from an insurance company authorized to do business in New Jersey a disability policy of insurance covering each employee and providing disability insurance equal to 50% of the employee's base salary and payable for a term of six (6) months, subject to a seven (7) day waiting period. The Township shall pay 100% of the cost of said policy.

ARTICLE XXXIV

SEPARABILITY AND SAVINGS

If any provision of this Agreement or any application of this Agreement to any employee or group of employees is held to be contrary to law, then such provision or application shall not be deemed valid, except to the extent permitted by law, and that all other provisions or applications of the Agreement shall continue in full force and effect for the duration of this Agreement.

ARTICLE XXXV

FULLY BARGAINED AGREEMENT

A. This Agreement incorporates the entire understanding of the parties on all matters which were or could have been the subject of negotiation.

B. During the term of this Agreement, neither party shall be required to negotiate with respect to any such matters whether or not within the knowledge or contemplation of either or both of the parties at the time they negotiated or executed this Agreement.

APPENDIX A---JOB TITLES

PUBLIC WORKS WORKER I, II, III, IV

PUBLIC WORKS WORKER V (grandfathered and will be eliminated in its entirety when the present title occupant vacates the position for any reason)

EQUIPMENT OPERATOR I

EQUIPMENT OPERATOR II

MECHANIC I

MECHANIC II

SENIOR MECHANIC

ARTICLE XXXVI

TERM OF AGREEMENT

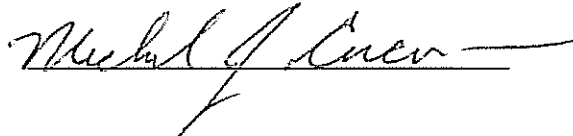
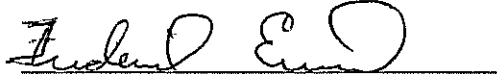
A. This Agreement shall be effective as of the 1st day of January, 2006 and shall remain in full force and effect through the 31st day of December, 2009.

B. It shall be automatically renewed from year to year thereafter unless either party shall notify the other party in writing ninety (90) days prior to the anniversary date that it desires to modify this Agreement. In the event that such notice is given, negotiations shall begin not later than sixty (60) days prior to the anniversary date.

C. This Agreement shall remain in full force and be effective during the period of negotiations and until notice of termination of this Agreement is provided to the other party. In the event that either party desires to terminate this Agreement at the anniversary date, written notice must be given to the other party not less than ten (10) days prior to the desired termination date.

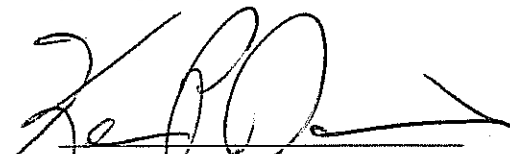
ATTEST:

HILLSBOROUGH TOWNSHIP PUBLIC WORKS
EMPLOYEE ASSOCIATION



ATTEST:

TOWNSHIP OF HILLSBOROUGH
COUNTY OF SOMERSET



Kevin P. Davis,
Administrator/Township Clerk



Carl Suraci, Mayor

12/4/06

SETTLEMENT AGREEMENT AND GENERAL RELEASE

THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE, made this 25th day of May, 2010 by and between EDWARD KRACHUN (hereinafter referred to as "KRACHUN"), and the TOWNSHIP OF HILLSBOROUGH hereinafter referred to as the ("TOWNSHIP"), a municipal corporation created under the laws of the State of New Jersey, whose principal offices are located at 379 South Branch Road, Hillsborough, New Jersey 08844, for the good and sufficient consideration set forth below as follows:

1. TOWNSHIP, as used herein, shall, at all times, mean the TOWNSHIP OF HILLSBOROUGH, its subsidiaries, affiliates, designees, predecessors, successors and assigns of any and all of them, their present and former directors, officers, officials (elected and appointed), representatives, associates, partners, servants, employees, agents, attorneys, heirs, executors and administrators, whether in their individual capacity, partnerships, corporations and/or any other entity connected therewith. This applies to all parties listed or not listed (past, present and/or future).
2. KRACHUN, as used herein, shall mean EDWARD KRACHUN, his family, (by marriage and/or blood relation), relatives, heirs, representatives, designees, privies, executors, administrators, representatives, assigns, successors-in-interest and predecessors-in-interest.
3. In lieu of the TOWNSHIP pursuing disciplinary charges currently pending against KRACHUN for violations of Sections 89-25(A)(1), being unfit for duty due to the loss of both his Commercial Drivers' License (CDL) and his regular driver's license, violations of the Hillsborough Township Personnel Policies and

other sufficient cause, all of which charges arose as a result of KRACHUN driving while under the influence of alcohol on December 15, 2009, as a result of which he lost both his CDL and his driver's license, KRACHUN agrees to the following:

- (1) KRACHUN agrees to submit to the TOWNSHIP an irrevocable letter of resignation effective as of May __, 2010;
- (2) KRACHUN agrees that, pursuant to the collective bargaining agreement between the TOWNSHIP and the Hillsborough Township Public Works Employees' Association, he is entitled to payment for 33.34 hours of vacation time at his regular hourly rate of \$24.44 per hour for a total amount due to KRACHUN as follows:

33.34 hrs. x \$14.44 =	\$814.83
April 2010 dental premium due	<u>(46.75)</u>
Net amount due KRACHUN:	\$768.08

KRACHUN acknowledges and agrees that he has no other accrued time, including, but not limited to, no floating holidays, no personal time and no sick time. The aforesaid \$768.08 due to KRACHUN for unused vacation time is the only money due and owing to KRACHUN by the TOWNSHIP.

- (3) KRACHUN shall be entitled to continuation of his health benefits in accordance with all relevant COBRA laws and regulations.

4. In consideration for paragraph 3 of this Agreement and the remaining portions of this Agreement, the TOWNSHIP agrees to accept KRACHUN's irrevocable letter of resignation, effective as of May 16, 2010, and to record KRACHUN as having

resigned in good standing. The TOWNSHIP further agrees not to pursue charges against KRACHUN. Finally, the TOWNSHIP agrees not to object to and/or contest KRACHUN's application for unemployment benefits.

5. KRACHUN acknowledges through his acceptance of this Settlement Agreement and General Release that he will not contest in any forum whatsoever (judicial/quasi judicial/administrative/contractual or otherwise) any and/or all of the terms and conditions of this Agreement.
6. KRACHUN and the TOWNSHIP agree that this Settlement Agreement and General Release is intended to constitute an admission by KRACHUN that both his CDL license and his regular New Jersey driver's license have been revoked, thus making him unable to perform the duties and responsibilities of his position with the Hillsborough DPW. Neither this Settlement Agreement and General Release, nor anything contained herein, shall be construed as an admission by the TOWNSHIP or KRACHUN of any other liability or unlawful conduct. The TOWNSHIP and KRACHUN further acknowledge that the parties enter into this Settlement Agreement and General Release solely to avoid further expensive, burdensome and protracted litigation. KRACHUN and the TOWNSHIP understand and agree that this Settlement Agreement and General Release may be used, if necessary, as evidence by the TOWNSHIP in other actions involving KRACHUN.
7. (A) KRACHUN releases, acquits, gives up and forever discharges any and all claims and rights which he may have against the TOWNSHIP and any and all of its officials (elected and/or appointed), officers, employees, representatives,

associates, partners, servants, employees, agents, attorneys, heirs, executors, administrators, assigns and/or designees, up to the time of the execution of this Settlement Agreement and General Release by both parties. This releases any and all claims, including those of which KRACHUN, his family, heirs, designees, representatives and assigns are not aware and those not mentioned in this Settlement Agreement and General Release. This Settlement Agreement and General Release applies to claims resulting from anything which has happened from KRACHUN's first date of employment with the TOWNSHIP through the last date of execution by both parties. KRACHUN specifically releases the following claims:

ANY AND ALL DAMAGES, WHICH ARE KNOWN AT THIS DATE, ARISING FROM OR RELATING TO ANY AND/OR ALL PORTIONS OF HIS EMPLOYMENT WITH THE TOWNSHIP.

(B) KRACHUN hereby releases, acquits and forever discharges the TOWNSHIP and any and all of its officials (elected and/or appointed), officers, employees, assigns, personal representatives, attorneys or designees (past, present or future as to all listed) of and from any and all actions or causes of action, suits, debts, claims, complaints, contracts, controversies, agreements, promises, damages, cross-claims, claims for contribution and/or indemnity, claims for costs and/or attorneys' fees, judgments and demands whatsoever, in law or equity, arising from KRACHUN's employment with the TOWNSHIP which KRACHUN had, now has and/or may ever have, as of the full execution date of this Settlement Agreement and General Release by all parties, including, but not

limited to, any claim, demand or action under the Age Discrimination in Employment Act, the Civil Rights Act of 1964 (including, but not limited to Title VII), as well as the Civil Rights Act of 1871, the Civil Rights Act of 1991, the Equal Pay Act, the Americans with Disabilities Act, the Employee Retirement Income Security Act, the Fair Labor Standards Act, the Occupational Safety and Health Act, the Older Worker Benefit Protection Act, the New Jersey Law Against Discrimination, the New Jersey Conscientious Employee Protection Act, any and all state and federal wage and hour laws and state and federal family leave laws and any and all other applicable laws, federal and/or state and/or local. Further, KRACHUN hereby waives any and all relief arising from his employment with the TOWNSHIP, from the culmination of such to the cessation of such employment.

(C) KRACHUN further releases any and all damages, whether known or unknown at this date, arising from or in any way relating to any disciplinary matters or employment matters (judicial/quasi-judicial/administrative/contractual) or any existing, pending and/or planned actions against the TOWNSHIP, as defined herein, arising from KRACHUN's employment with the TOWNSHIP, including, but not limited to, attorneys fees pursuant to 42 U.S.C. §1981; 42 U.S.C. §1983 and/or 42 U.S.C. §1988 and/or N.J.S.A. 10:5-1 et. seq. Nothing in this release shall waive any right to indemnity KRACHUN may have in the event of litigation filed by an individual or entity not a party to this Agreement and Release as it relates to KRACHUN's duties and responsibilities as a member of the TOWNSHIP's Department of Public Works. Nothing in this Agreement and

Release shall waive the right of KRACHUN to enforce the terms of this Agreement.

(D) In accordance with the Older Workers Benefit Protection Act, 29 U.S.C. §626, KRACHUN acknowledges that he has been given until June 1, 2010 to decide whether to be bound by the terms of this Agreement. Therefore, KRACHUN has been given at least twenty-one (21) days within which to consider this Agreement.

(E) In accordance with the Older Workers Benefit Protection Act, 29 U.S.C. §626, KRACHUN further acknowledges and the TOWNSHIP agrees that KRACHUN has a period of seven (7) calendar days following the execution of this Agreement to revoke this Agreement and this Agreement shall not become effective or enforceable until the revocation period has expired. Such notice of revocation, if exercised, may be given to Eric M. Bernstein, Esq., 2 North Road, P.O. Box 4922, Warren, New Jersey 07059.

8. KRACHUN agrees not only to release, acquit and forever discharge the TOWNSHIP and any and all of, its officials (elected and/or appointed), officers, employees, assigns, representatives or designees (past, present and future as to this entire group) from any and all claims which arose from KRACHUN's employment that he could make on his own behalf, but also those which have been or may be made against the TOWNSHIP by any other person, entity, group or organization on his behalf which are known, or should have been known as of the date of this Settlement Agreement and General Release. KRACHUN specifically waives any right to become, and promises not to become a member of

any class in any case in which any claim is asserted against the TOWNSHIP, involving any event that has occurred on or before the final execution date of this Settlement Agreement and General Release, unless KRACHUN is found to be an indispensable party or ordered by a court to become party to an action. A copy of said order will be provided to the TOWNSHIP for its records and input.

9. The TOWNSHIP affirms that, as of the date of final execution of this Settlement Agreement and General Release, they have no knowledge of any pending class action against it to which KRACHUN could be a potential class member.
10. Unless directed to do so by court order or lawfully issued subpoena, which notice shall be timely given to the TOWNSHIP by KRACHUN, KRACHUN agrees that he shall not give testimony or evidence against the TOWNSHIP in any proceeding with respect to any incidents/events involving KRACHUN's employment with the TOWNSHIP.
11. This Settlement Agreement and General Release contains the full agreement between KRACHUN and the TOWNSHIP and may not be modified, altered, changed or terminated, except upon the express prior written consent of KRACHUN and the TOWNSHIP, which consent must be signed by both KRACHUN and the TOWNSHIP and/or their duly authorized agents.
12. The waiver by KRACHUN and/or the TOWNSHIP of a breach of any provision hereof shall not operate or be construed as a waiver of that breach by the other or as a waiver of any subsequent breach by the other.
13. If any term, provision or condition of this Settlement Agreement and General Release is held invalid or unenforceable by a court of competent jurisdiction, such

holding shall be without effect upon the validity or enforceability of any other provision, term or condition of this Settlement Agreement and General Release, provided that the essential consideration received by each party is not eliminated or reduced as a result of such a declaration of invalidity.

14. KRACHUN hereby acknowledges and agrees that he further expressly waives and assumes the risk of any and all claims or damages arising from KRACHUN's employment with the TOWNSHIP which existed as of the date of the final execution of this Settlement Agreement and General Release, which KRACHUN does not know of or suspect to exist, whether through ignorance, oversight, error, negligence or otherwise and which, if known, would materially effect his decision to enter into this Settlement Agreement and General Release.
15. KRACHUN represents and warrants that no other person or entity has or has had any interest in the claims, demands, obligations or causes of action referred to in this Settlement Agreement and General Release; and that KRACHUN has not sold, assigned, transferred, conveyed and/or otherwise disposed of any of the claims, demands, obligations or causes of action referred to in this Settlement Agreement and General Release.
16. This Settlement Agreement and General Release shall be construed and interpreted in accordance with the laws of the State of New Jersey.
17. KRACHUN and the TOWNSHIP agree to cooperate fully and execute any and all supplementary documents and to take all additional actions which may be necessary or appropriate to get full force and effect of the basic terms and intent of this Settlement Agreement and General Release.

18. This Settlement Agreement and General Release shall become effective immediately following execution by KRACHUN and the TOWNSHIP and approval by all applicable TOWNSHIP officials.
19. KRACHUN and the TOWNSHIP shall bear all costs and expenses arising from the actions of their own counsel in connection with this Settlement Agreement and General Release.
20. This Settlement Agreement and General Release contains the entire agreement between KRACHUN and the TOWNSHIP with regard to the matters set forth herein and shall be binding upon and inure to the benefit of their officials, officers, directors, attorneys, representatives, employees, associates, partners, agents, servants, executors, administrators, personal representatives, heirs, successors and assigns of each and all other persons, firms, corporations, associations or partnerships or any other entity or persons connected therewith (past, present and future), except as set forth herein or as may be agreed to in a further writing between the parties and a further execution by the parties.
21. In entering into this Settlement Agreement and General Release, KRACHUN has relied upon the legal advice of his attorney, who is the attorney of his own choice, as to the terms of this Settlement Agreement and General Release, which have been completely read and explained by his attorney and those terms are fully understood and voluntarily accepted.
22. All notices, demands and requests which are required and desired to be given shall be in writing and shall be sent pre-paid, registered or certified mail, return receipt requested, addressed as follows:

FOR KRACHUN:

Stephen E. Klausner, Esq.
SE Klausner, L.L.C.
63 East High Street
Somerville, New Jersey 08876

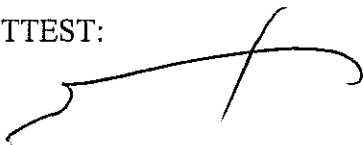
FOR THE TOWNSHIP OF HILLSBOROUGH:

Eric Martin Bernstein, Esq.
ERIC M. BERNSTEIN & ASSOCIATES, L.L.C.
Two North Road
P.O. Box 4922
Warren, New Jersey 07059-4922

24. All of the terms and conditions herein are specific to this Settlement Agreement and General Release and shall not serve as a precedent for any other future Agreements with any other employee of the TOWNSHIP nor used as an indication of future actions of the TOWNSHIP.

IN WITNESS WHEREOF, KRACHUN and the TOWNSHIP have hereunto set their hands this 24 day of May, 2010.

ATTEST:




STEPHEN E. KLAUSNER

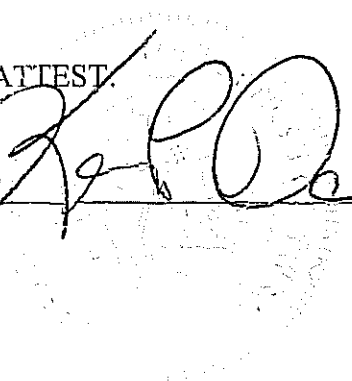
EDWARD KRACHUN



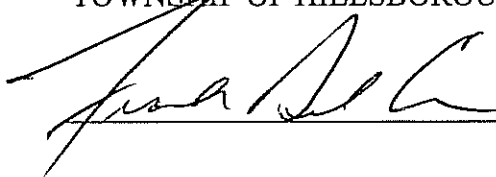
EDWARD KRACHUN

ATTEST:





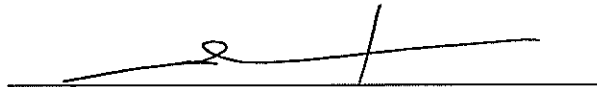
TOWNSHIP OF HILLSBOROUGH



STATE OF NEW JERSEY :
COUNTY OF Somerset : SS.:

I, Stephen E. Klausner, a ^{Attorney at Law, State of New Jersey} Notary Public, do hereby certify that EDWARD KRACHUN, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledges that he signed and delivered the said instrument as his free and voluntary act, for the uses and purposes set forth therein.

Given under my hand and official seal this 24th day of May, 2010.



Notary Public
Stephen E. Klausner
Attorney at Law
State of New Jersey