

MEMORANDUM OF AGREEMENT

The undersigned parties, Township of Cranford ("Township") and Teamsters Local 469, affiliated with International Brotherhood of Teamsters, Chauffers, Warehousemen and Helpers of Americas ("Union") hereby agree to a new Collective Negotiating Agreement ("CNA") on the following terms:

The parties acknowledge that these terms and conditions are subject to and conditioned upon ratification by the Union and upon approval by the Cranford Township Committee.

The parties agree to recommend these terms and conditions to their respective constituents for ratification and approval.

The CNA, which by its terms expired on December 31, 2013, is hereby renewed for four (4) years from January 1, 2014 through December 31, 2017, with the following changes:

SCHEDULE A, (SALARY AND WAGES)

The rates of pay on the salary schedule, referred to as Schedule A in the CNA, will be increased as follows:

- Effective from 1/1/2014 to 12/31/2014: 1.5%;
- Effective from 1/1/2015 to 12/31/2015: 1.5%;
- Effective from 1/1/2016 to 12/31/2016: 1.75%; and
- Effective from 1/1/2017 to 12/31/2017: 1.75%.

In addition, Schedule A of the CNA will be amended to reflect that that tree trimmers and assistant mechanics/welders will receive the same hourly rate of pay as equipment operators.

ARTICLE 4, SECTION 1 (NONDISCRIMINATION)

After "political affiliation", add "sexual or affectional orientation, gender identity or expression, domestic partnership or civil union status."

ARTICLE 27, (DENTAL INSURANCE)

Section 1-Delete and replace with the following:

“Effective upon the date of ratification of the within agreement, subject to Chapter 78, Public Law 2011 (“Chapter 78”), governing the obligations of contributions by employees, the Township shall provide each regular, full-time, permanent employee and the dependents of the immediate family with dental insurance that provides for costs for coverage to be paid as follows: 80% by employer, 20% by employee, for preventive treatment; 50% by employer, 50% by employee, for basic treatment; and 50% by employer, 50% by employee, for major treatment coverage; with a maximum of one thousand five hundred dollars (\$1,500) per eligible patient per calendar year for major, preventive and basic benefits and a lifetime maximum of five hundred dollars (\$500) per patient for orthodontic benefits.”

ARTICLE 28, SECTION 1 (HOSPITALIZATION INSURANCE)

Section (1) -Delete first sentence of this section and replace with the following:

“Effective upon the date of ratification of the within agreement, subject to Chapter 78, , governing the obligations of contributions by employees, the Township shall provide each regular, full time, permanent employee and the dependents of the Employee’s immediate family a Group Major Medical Insurance Plan through the NJ DIRECT 15 Plan maintained by the State Health Benefits Plan (“SHBP”).” The last sentence of this section shall remain.

ARTICLE 28, SECTION 3 (NEW) (HEALTH INSURANCE)

Add a new Section 3 stating as follows: “Each Employee eligible to receive coverage under the SHBP, who elects not to receive such coverage, upon submitting a waiver of coverage

in the form annexed as Exhibit A hereto, shall be entitled to receive a payment of not more than 25% of the amount saved by the employer because of the waiver or \$5,000 whichever is less.”

ARTICLE 29, (PRESCRIPTION INSURANCE)

Section A(3)- Delete and replace with the following: “Effective upon the date of ratification of the within agreement, the Prescription Plan provided shall be the NJ DIRECT 15 Plan maintained by the SHBP. Chapter 78 governs the obligations of contributions by employees.”

Section A(5)-Delete phrase beginning with phrase “Effective October 1, 2009...” and the ensuing column ending with “\$35.00.” The sentences beginning with “Any of the existing...” and ending with the phrase “group rate” shall remain.

ARTICLE 31, SECTION 3 (RETIREE MEDICAL BENEFITS)

Section 3(B)-Delete and replace with the following:

“Subject to Chapter 78, regarding the obligation of retirees to contribute toward a portion of their health care premium, the Township agrees to contribute toward the SHBP as follows: Four percent (4%) of the monthly premium for each complete year of creditable service as a full-time employee of the Township for each employee, up to a maximum of 25 years, who retires on or after January 1, 2014, in manner set forth in Section 2(A) of this Article, and for that employee’s immediate dependents at the time of retirement.”

Section 3(D) through 3(G)-Delete and replace with the following:

“For existing employees hired as of the date of the ratification of this agreement, the Township’s obligation to contribute toward any health care premium shall terminate upon that

retiree becoming eligible to participate in any medical insurance plan through a place of employment (including, but not limited to, his own employer or the retiree's spouse). In the event the retiree or the retiree's spouse is no longer entitled to participate in any medical insurance plan through a place of employment, the retiree is eligible to reenroll to receive this benefit again upon proof of eligibility."

"For employees hired on or after January 1, 2014, the Township's obligation to contribute toward any health care premium shall terminate upon that retiree becoming Medicare eligible. The Township agrees to reimburse said retirees' payments for Medicare Part B payments only."

"It is understood that the Township needs to verify, on an annual basis, eligibility for current and future retirees to receive benefits provided in this Article, with regard to the retirees themselves and their dependents and/or spouses, as the case may be. In furtherance of this purpose, all retirees shall furnish to the Township, on an annual basis, verified information regarding the employment status of spouse, their own employment status, their marital status and other pertinent information regarding eligibility to receive the benefit provided under this Article. Failure to provide such information shall subject the retiree to potential termination of the benefits set forth in this Article."

Sections 3(H) and 3(I)-Deleted.

ARTICLE 48 (DURATION): The CNA is effective as of January 1, 2014 through December 31, 2017.

ON BEHALF OF THE UNION:

Dated: JUNE 18 2014

Steve Julius ^{SHOP} **STEWARO**
, President
Teamsters Local Union No. 469

ON BEHALF OF THE TOWNSHIP:

Dated: 6/30/14

Andis Kalnins
~~Terence Wall~~ Andis Kalnins, Mayor
Authorized Representative of
Township/Employer

ATTEST:

Tara Rowley
Tara Rowley, Township Clerk

#2287349