



To: Honorable President and Board of Trustees
From: Scott Niehaus, Village Manager
Date: July 29, 2015
Re: **AGREEMENT WITH AMERICAN FEDERATION OF STATE, COUNTY & MUNICIPAL EMPLOYEES, AFL-CIO, COUNCIL 31, LOCAL 89**

The Village of Lombard's negotiating team has reached a Tentative Agreement on a contract with the American Federation of State, County & Municipal Employees, AFL-CIO, Council 31, Local 89 which represents the employees in the Lombard Public Works Department. The terms of the Agreement are as follows:

Duration: The Agreement is for a four (4) year term beginning on January 1, 2016 and concluding December 31, 2019

Wages: Year 1 (January 1, 2016 – December 31, 2016)
General Wage Increase: 2.25%

Year 1 (January 1, 2017 – December 31, 2017)
General Wage Increase: 2.25%

Year 1 (January 1, 2018 – December 31, 2018)
General Wage Increase: 2.50%

Year 1 (January 1, 2019 – December 31, 2019)
General Wage Increase: 2.00%

The number of steps from hire to top of the range has been decreased from 14 to 10. The Village has tentatively agreed to a "top-out bonus" of a maximum of \$1,250 for employees who, based upon their current salary, do not receive the full general adjustment of 2.25% in year one of the Agreement. Employees will receive an adjustment to their base pay that gets them to the top of the range with the remaining adjustment in the form of a lump sum payment not to be added to base pay.

Use of Compensatory Time: The Agreement will allow employees to apply the use of Comp Time towards their 40 hour work week to be eligible for overtime. The contract language still will prohibit the use of Comp Time towards the 40 hour work week, but a Memorandum of Understanding permits the use only through the duration of the contract, at which time the use of Comp Tim will sunset. Additionally, the limit for accrued Comp Time has been increased to 60 hours, which is consistent with other collective bargaining agreements that the village has entered.

Call Back Pay: Staff was successful in negotiating a change to the call back provisions that will greatly reduce costs for overtime. Under the current contract, the Village was compensating employees for overtime and

straight time simultaneously. This language corrects that issue and requires that calls within one hour prior to the start time shall not have a guarantee of 2 hours overtime, but shall receive applicable pay rates with no guarantee.

Out-of-Classification Pay: The Tentative Agreement includes language that compensates Water Plant Operators for carrying the SCADA alarm paging system. Employees are on-call outside the normal hours and are responsible for responding to alarms when assigned the paging system. The language mirrors the existing language for the on-call supervisor rotation and codifies the past practice. Employees receive the following benefits while on-call: 5% pay increase for hours worked while on-call, and two (2) hours straight time for each work day assigned the pager system.

Other Specialty Pay: The following changes to Section 15.7 License Bonus have been included in the tentative agreement.

Effective January 1, 2016, the contract will contain License Bonus provisions for employees possessing the following license/certificate:

<i>State of Illinois Journeyman Plumbing License</i>	<i>\$1,315</i>
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and

<i>Cross Connection Control Device Inspector Certification</i>	<i>\$500</i>
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Insurance: The Village was successful in having language included in the contract relative to the Affordable Care Act “Cadillac Tax”. The parties tentatively agreed that if any of the Village’s health insurance plans trigger the “Cadillac Tax”, the parties will meet to try and make changes to the plans that will avoid the tax. In the event that the tax cannot be avoided and an employee chooses to stay on a plan that is subject to the tax, the employee would pay the full cost of the tax penalty. The contract contains language that allows an employee with extenuating circumstances to appeal the imposition of the tax to the Village Manager, on a case-by-case basis. In the event that the Village Manager determines that the move to a plan that would not be subject to the tax would detrimentally affect the employee/family, the Village and employee would split the penalty 50%/50%.

Members of the Bargaining Unit Ratified the Agreement on July 29, 2015. The Village recommends approval of the Memorandum of Understanding.