

2010-2017 Memorandum of Agreement
Communications Workers of America,
Local 1182 and the City of New York

WHEREAS, the undersigned parties desire to enter into a new collective bargaining agreement covering Sanitation Enforcement Agents Levels I and II including this 2010-2017 Memorandum of Agreement ("2010-2017 MOA"), covering the period of March 10, 2010 through December 30, 2017;

WHEREAS, the undersigned parties intend by this 2010-2017 MOA to cover all economic matters and to incorporate the terms of this MOA into a collective bargaining agreement;

WHEREAS, the undersigned parties intend by this 2010-2017 MOA that the terms and conditions in the 2008-2010 Traffic Enforcement Agents, et al. Agreement that are applicable to Sanitation Enforcement Agents Levels I and II shall be continued for these titles, except as modified below;

WHEREAS, the Sanitation Enforcement Bargaining Unit¹ has authorized Communication Workers of America, Local 1182 to enter into this 2010-2017 MOA covering Sanitation Enforcement Agent Levels I and II;

NOW, THEREFORE, it is jointly agreed as follows:

1. **Term:** 7 years, 9 months, and 21 days (93 months and 21 days)
3/10/10 – 12/30/17

2. **Ratification Bonus:**

A lump sum cash payment in the amount of \$1,000, pro-rated for other than full-time employees, shall be payable as soon as practicable upon ratification of the MOA to those Employees who are on payroll as of the date of ratification. The lump sum cash payment shall be pensionable, consistent with applicable law.

- i. Full-time per annum and full-time per diem Employees shall receive a lump sum cash payment in accordance with Interpretive Memorandum No. 102, dated August 26, 2014.
- ii. Part-time per annum, part-time per diem (including seasonal appointees), per session, hourly paid Employees and Employees whose normal work year is less than a full calendar year shall receive a pro-rata portion of the lump sum cash payment based on their regularly scheduled hours and the hours in a full calendar year.
- iii. The lump sum cash payment shall not become part of the Employee's base salary rate nor be added to the Employee's basic salary for the calculation of any salary based benefits including the calculation of future collective bargaining increases.

¹ The New York City Board of Certification issued a decision on January 10, 2014 in which it ordered the creation of a new Sanitation Enforcement Bargaining Unit, consisting of Sanitation Enforcement Agents and Associate Sanitation Enforcement Agents. Communications Workers of America was designated the bargaining representative for this bargaining unit.

- iv. For circumstances that were not anticipated by the parties, the First Deputy Commissioner of Labor Relations may elect to issue, on a case-by-case basis, interpretations concerning the application of Section 2 of this MOA. Such case-by-case interpretations shall not be subject to any dispute resolution procedures as per past practice of the parties.

3. General Wage Increases

| <u>Effective Date</u> | <u>General Wage Increases</u> |
|-------------------------|-------------------------------|
| i. September 10, 2011 | 1.00% |
| ii. September 10, 2012 | 1.00% compounded |
| iii. September 10, 2013 | 1.00% compounded |
| iv. September 10, 2014 | 1.50% compounded |
| v. September 10, 2015 | 2.50% compounded |
| vi. September 10, 2016 | 3.00% compounded |

4. Salary Schedules

a. Sanitation Enforcement Agent, Level I

Effective March 10, 2016, the salaries for Sanitation Enforcement Agents, Level I shall be governed by the salary schedule set forth below. The September 10, 2016 wage increase to employees' salaries is reflected in the third column of the chart below, while step increases to employees' salaries continue to be reflected in each row.

Sanitation Enforcement Agents, Level I newly hired into the title on or after March 10, 2016 shall be placed at Step 1 of the schedule and shall remain at that step until their one year anniversary when they advance to Step 2.

On March 10, 2016, each Sanitation Enforcement Agent, Level I who was previously at the new hire rate shall be placed on Step 5 of the new salary schedule. This means that a Sanitation Enforcement Agent, Level I earning the September 10, 2015 new hire rate of \$31,318 shall be placed at Step 5 of the schedule on March 10, 2016 at the rate of \$33,400. On September 10, 2016, the SEA Level I shall receive the general wage increase for his or her step. At his or her Level I anniversary date, the SEA Level I shall move to Step 6.

A Sanitation Enforcement Agent, Level I earning the September 10, 2015 incumbent minimum salary of \$36,015 shall be placed at Step 7 of the schedule on March 10, 2016 at the rate of \$36,115. On September 10, 2016, the SEA I shall receive the general wage increase for his or her step. At his or her Level I anniversary date, the SEA Level I shall move to Step 8.

| | | |
|------------------------|-----------|-----------|
| <i>effective =></i> | 3/10/2016 | 9/10/2016 |
| Hiring Rate/ Step 1 | \$29,812 | \$30,706 |

| | | |
|---------|----------|----------|
| Step 2 | \$30,312 | \$31,221 |
| Step 3 | \$31,400 | \$32,342 |
| Step 4 | \$32,400 | \$33,372 |
| Step 5 | \$33,400 | \$34,402 |
| Step 6 | \$33,900 | \$34,917 |
| Step 7 | \$36,115 | \$37,198 |
| Step 8 | \$36,615 | \$37,713 |
| Step 9 | \$37,180 | \$38,295 |
| Step 10 | \$40,000 | \$41,200 |

b. Sanitation Enforcement Agent, Level II

Effective March 10, 2016, the salaries for all Sanitation Enforcement Agents, Level II shall be governed by the salary schedule set forth below. The September 10, 2016 wage increase to employees' salaries is reflected in the third column of the chart below, while step increases to employees' salaries continue to be reflected in each row.

An incumbent Sanitation Enforcement Agent, Level II earning the September 10, 2015 incumbent minimum salary of \$40,508 shall move to Step 5 on the salary schedule on March 10, 2016 at the rate of \$43,692. At his or her Level II anniversary date, the SEA Level II shall move to Step 6. On September 10, 2016 the SEA Level II shall receive the general wage increase for his or her step.

Incumbents assigned to Sanitation Enforcement Agent Level II from Sanitation Enforcement Agent Level I shall be placed at the step with the salary that is both closest to and higher than their current salary. Movement from step to step shall be annually on the employees' Level II anniversary. For example, a Sanitation Enforcement Agent, Level I earning \$36,115 on March 10, 2016 who is then assigned to Level II on April 1, 2016 shall be placed at Step 1 of the SEA Level II salary schedule at the rate of \$41,692. At his or her Level II anniversary date, the SEA Level II shall move to Step 2. On September 10, 2016, the SEA Level II shall receive the general wage increase for his or her step.

| | | |
|------------------------|-----------|-----------|
| <i>effective =></i> | 3/10/2016 | 9/10/2016 |
| Hiring Rate/ Step 1 | \$41,692 | \$42,943 |
| Step 2 | \$42,192 | \$43,458 |
| Step 3 | \$42,692 | \$43,973 |
| Step 4 | \$43,192 | \$44,488 |
| Step 5 | \$43,692 | \$45,003 |
| Step 6 | \$44,192 | \$45,518 |
| Step 7 | \$44,692 | \$46,033 |
| Step 8 | \$45,442 | \$46,805 |

5. Conditions of Payment

- a. The lump sum cash payment pursuant to Section 2. of this 2010-2017 MOA shall be payable as soon as practicable upon ratification of this 2010-2017 MOA.
- b. The general increases pursuant to Section 3. i., ii., iii, iv and v of this 2010-2017 MOA shall be payable as soon as practicable upon ratification of this 2010-2017 MOA.
- c. The general increases provided in Section 3. vi. of this 2010-2017 MOA shall be payable as soon as practicable upon the execution of the successor unit agreement.

6. New Annuity Fund

- a. The Union shall create an annuity fund, to be called the Local 1182 SEA Annuity Fund. The purpose of the Local 1182 SEA Annuity Fund shall be to receive contributions from the Employer and to distribute and allocate such funds.
- b. On March 10, 2016 or as soon as practicable after the Local 1182 SEA Annuity Fund is established, the Employer shall contribute on behalf of covered full-time per annum employees, on a twenty-eight (28) day cycle basis, a pro-rata daily contribution for each paid working day which amount shall not exceed \$261 for each employee in full pay status in the prescribed twelve (12) month period subject to the terms of the signed annuity fund agreement approved by the Corporation Counsel. For covered Employees who work less than the number of hours for their full-time equivalent title, the Employer shall pay into the fund, on a twenty-eight (28) day cycle basis, a pro-rated daily contribution calculated against the number of hours associated with their full time equivalent title, which amount shall not exceed \$261 per annum for each employee in full time pay status in the prescribed twelve (12) month period. All payments into the annuity fund shall be retroactive to March 10, 2016.
- c. For the purposes of Section 6. b., excluded from paid working days are all scheduled days off, all days in non-pay status, and all paid overtime.

7. Prohibition of Further Economic Demands

Except as provided for in Sections 8 and 10 of this Agreement, no Party to this agreement shall make additional economic demands during the term of this 2010-2017 MOA or during the negotiations for the applicable unit agreement.

8. Health Savings and Welfare Fund Contributions

The May 5, 2014 Letter Agreement regarding health savings and welfare fund contributions between the City of New York and the Municipal Labor Committee, shall be attached as an Appendix, and is deemed to be part of this 2010-2017 MOA.

9. Citywide Agreement


A committee shall be established to jointly incorporate the current applicable Citywide Agreement provisions into the new unit agreement. All provisions must be mutually agreed to by the parties.

10. Nothing contained in this 2010-2017 MOA shall preclude the parties from their continuing discussions to identify, review, recommend and develop initiatives that will generate workplace savings, maximize the potential of the City workforce and ensure the provision of essential services, while at the same time providing increased compensation for the workforce. The parties must conclude all discussions regarding this Section no later than 9 months after the date of ratification of the 2010-2017 MOA unless the parties have mutually agreed to extend the deadline. Any claim that either party has of **enforcement** of a mutually agreed upon savings proposal shall be submitted to an expedited arbitration panel with the assistance of the Office of Collective Bargaining. The expedited arbitration panel shall not be used to decide the substance, merit or value of either of the parties' specific savings proposals. If these discussions are not completed within 9 months of ratification or extended by mutual agreement of parties, the issue of gainsharing will not be revisited until the next contract.


11. This Agreement is subject to union ratification.

WHEREFORE, we have hereunto set our hands and seals this 21st day of March, 2016.


FOR THE CITY OF NEW YORK

BY: 
ROBERT W. LINN
Commissioner of Labor Relations

**FOR THE COMMUNICATIONS WORKERS
OF AMERICA**

BY: 
JOSEPH DIESSO

**FOR THE COMMUNICATIONS WORKERS
OF AMERICA, LOCAL 1182**

BY: 
SYED RAHIM
President



THE CITY OF NEW YORK
OFFICE OF LABOR RELATIONS
40 Rector Street, New York, NY 10006-1705
<http://nyc.gov/olr>

ROBERT W. LINN
Commissioner

May 5, 2014

Harry Nespoli
Chair, Municipal Labor Committee
125 Barclay Street
New York, NY 10007

Dear Mr. Nespoli:

This is to confirm the parties' mutual understanding concerning the following issues:

1. Unless otherwise agreed to by the parties, the Welfare Fund contribution will remain constant for the length of the successor unit agreements, including the \$65 funded from the Stabilization Fund pursuant to the 2005 Health Benefits Agreement between the City of New York and the Municipal Labor Committee.
2. Effective July 1, 2014, the Stabilization Fund shall convey \$1 Billion to the City of New York to be used to support wage increases and other economic items for the current round of collective bargaining (for the period up to and including fiscal year 2018). Up to an additional total amount of \$150 million will be available over the four year period from the Stabilization Fund for the welfare funds, the allocation of which shall be determined by the parties. Thereafter, \$ 60 million per year will be available from the Stabilization Fund for the welfare funds, the allocation of which shall be determined by the parties.
3. If the parties decide to engage in a centralized purchase of Prescription Drugs, and savings and efficiencies are identified therefrom, there shall not be any reduction in welfare fund contributions.
4. There shall be a joint committee formed that will engage in a process to select an independent healthcare actuary, and any other mutually agreed upon additional outside expertise, to develop an accounting system to measure and calculate savings.

5. The MLC agrees to generate cumulative healthcare savings of \$3.4 billion over the course of Fiscal Years 2015 through 2018, said savings to be exclusive of the monies referenced in Paragraph 2 above and generated in the individual fiscal years as follows: (i) \$400 million in Fiscal Year 2015; (ii) \$700 million in Fiscal Year 2016; (iii) \$1 billion in Fiscal Year 2017; (iv) \$1.3 billion in Fiscal Year 2018; and (v) for every fiscal year thereafter, the savings on a citywide basis in health care costs shall continue on a recurring basis. At the conclusion of Fiscal Year 2018, the parties shall calculate the savings realized during the prior four-year period. In the event that the MLC has generated more than \$3.4 billion in cumulative healthcare savings during the four-year period, as determined by the jointly selected healthcare actuary, up to the first \$365 million of such additional savings shall be credited proportionately to each union as a one-time lump sum pensionable bonus payment for its members. Should the union desire to use these funds for other purposes, the parties shall negotiate in good faith to attempt to agree on an appropriate alternative use. Any additional savings generated for the four-year period beyond the first \$365 million will be shared equally with the City and the MLC for the same purposes and subject to the same procedure as the first \$365 million. Additional savings beyond \$1.3 billion in FY 2018 that carry over into FY 2019 shall be subject to negotiations between the parties.

6. The following initiatives are among those that the MLC and the City could consider in their joint efforts to meet the aforementioned annual and four-year cumulative savings figures: minimum premium, self-insurance, dependent eligibility verification audits, the capping of the HIP HMO rate, the capping of the Senior Care rate, the equalization formula, marketing plans, Medicare Advantage, and the more effective delivery of health care.

7. Dispute Resolution

- a. In the event of any dispute under this agreement, the parties shall meet and confer in an attempt to resolve the dispute. If the parties cannot resolve the dispute, such dispute shall be referred to Arbitrator Martin F. Scheinman for resolution.
- b. Such dispute shall be resolved within 90 days.
- c. The arbitrator shall have the authority to impose interim relief that is consistent with the parties' intent.
- d. The arbitrator shall have the authority to meet with the parties at such times as the arbitrator determines is appropriate to enforce the terms of this agreement.
- e. If the parties are unable to agree on the independent health care actuary described above, the arbitrator shall select the impartial health care actuary to be retained by the parties.
- f. The parties shall share the costs for the arbitrator and the actuary the arbitrator selects.

If the above accords with your understanding and agreement, kindly execute the signature line provided.

Sincerely,



Robert W. Linn
Commissioner

Agreed and Accepted on behalf of the Municipal Labor Committee

BY: 
Harry Nespoli, Chair



OFFICE OF LABOR RELATIONS

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ROBERT W. LINN
Commissioner

RENEE CAMPION
First Deputy Commissioner

MAYRA E. BELL
General Counsel

CHRIS BERNER
Chief of Staff

GEORGETTE GESTELY
Director, Employee Benefits Program

INTERPRETIVE MEMORANDUM No. 102

TO: All Affected Agencies
FROM: Renee Campion, First Deputy Commissioner
DATE: August 26, 2014
RE: Lump Sum Ratification Bonus

This interpretive memorandum is to provide guidance regarding the payment of the lump sum ratification bonus provided in Section 2 of the 2010-2017 Memorandum of Agreement between District Council 37 and the City of New York, and subsequent collective bargaining agreements as applicable.

The language of the agreement reads:

A lump sum cash payment in the amount of \$1,000, pro-rated for other than full-time employees, shall be payable as soon as practicable upon ratification of the Agreement to those employees who are on payroll as of the date of ratification. The lump sum cash payment shall be pensionable, consistent with applicable law.

A. Eligibility Guidelines

To be eligible for the lump sum payment, an employee must be serving in active payroll status in a title covered by the applicable collective bargaining agreement on the date of ratification of the agreement. Any questions regarding the date of ratification should be directed to the Office of Labor Relations. In the case of the 2010-2017 Memorandum of Agreement between District Council 37 and the City of New York, the ratification date was August 5, 2014.

Active payroll status is defined as being in payroll status "B" (active) or "K" (military leave with pay).

Employees who were terminated for cause, resigned, retired, or otherwise separated from service prior to the date of ratification of the agreement shall not be eligible for the lump sum cash payment.

B. Lump Sum Cash Payment for Full-Time Per Annum and Full-Time Per Diem Employees

All full-time per annum and full-time per diem employees who were in active paid status on the date of ratification are entitled to receive the lump sum cash payment of \$1,000.

C. Proration of Lump Sum Cash Payment for other than Full-Time and Full-Time Per Diem Employees

Part-time per annum, part-time per diem (including seasonal appointees), per session, hourly paid Employees and Employees whose normal work year is less than a full calendar year shall receive a pro-rata portion of the lump sum cash payment based on their regularly scheduled hours between July 1, 2013 and June 30, 2014.

- i. Part-time employees who were in active pay status the entire period from July 1, 2013 through June 30, 2014, and on the date of ratification, shall receive a pro-rata lump sum cash payment not to exceed \$1,000.
 - *For example:* An employee in a 40-hour title works 20 hours per week for the entire time period from July 1, 2013 through June 30, 2014. This employee would receive a lump sum ratification bonus of \$500
- ii. Employees who were in active pay status on the date of ratification, and for a portion of the period July 1, 2013 through June 30, 2014, shall receive a pro-rata lump sum cash payment not to exceed \$1,000 based upon the portion of time that they were in active pay status.
 - *For example:* A seasonal employee in a 40-hour title works 10 weeks during the period July 1, 2013 through June 30, 2014, an average of 48 scheduled hours per week. This employee would receive a lump sum ratification bonus of \$229.89¹.
- iii. School Year Based Employees:
Where the regular and customary work year for a title is less than a twelve-month year, such as a school year, such computations provided for in Section C a. i. and a. ii. shall be based on service during the period from September 5, 2013 through June 26, 2014 or other applicable dates for other school-based employees.

¹ $\frac{480 \text{ Scheduled Hours Worked}}{2088 \text{ Scheduled Hours Per Year}} \times \$1000 = \$229.89$

D. Effect of Lump Sum Ratification Bonus

The lump sum cash payments shall not become part of the Employee's basic salary rate nor be added to the Employee's basic salary for the calculation of any salary based benefits including the calculation of future collective bargaining increases.

E. Timing of Payment

The lump sum cash payment shall be paid as soon as practicable upon ratification of the applicable agreement.

F. Additional Determinations

For unique circumstances that are not covered by this memorandum, the First Deputy Commissioner of Labor Relations may elect to issue, on a case-by-case basis, interpretations concerning the payment of the lump sum ratification bonus. Such case-by-case interpretations are not subject to any dispute resolution procedures.