

**TOWNSHIP OF SOUTH ORANGE VILLAGE
BOARD OF TRUSTEES**

SPECIAL MEETING
August 3, 2020, 6:00 PM

ORDER OF BUSINESS

CALL MEETING TO ORDER

Roll Call: Village President Collum
Trustee Clarke
Trustee Coallier
Trustee Hartshorn Hilton
Trustee Jones
Trustee Schnall
Trustee Zuckerman
Mr. Loehner, Village Administrator
Mr. Rother, Village Counsel
Mr. Harris, Village Clerk

MEETING NOTICE STATEMENT

Adequate notice of this meeting had been provided to the press in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-6. In addition, notice of this meeting was posted in Village Hall and on the Village's website, and has been filed in the Office of the Village Clerk. Official action may be taken. Kevin D. Harris, Village Clerk

PUBLIC COMMENTS

Village President opens meeting for public comment.

RESOLUTIONS ON CONSENT AGENDA

2020-173 RESOLUTION APPROVING AND RATIFYING A MEMORANDUM OF AGREEMENT WITH AND AMONG THE FIREMAN'S BENEVOLENT ASSOCIATION, FMBA LOCAL NO. 40 AND THE TOWNSHIP OF SOUTH ORANGE VILLAGE

2020-174 RESOLUTION APPROVING AND RATIFYING A MEMORANDUM OF AGREEMENT WITH AND AMONG THE FIREMAN'S BENEVOLENT ASSOCIATION, FMBA LOCAL NO. 240 AND THE TOWNSHIP OF SOUTH ORANGE VILLAGE

Roll Call Vote:

PUBLIC COMMENTS

Village President opens meeting for public comment.

NEW BUSINESS

ADJOURNMENT

TOWNSHIP OF SOUTH ORANGE VILLAGE

RESOLUTION APPROVING AND RATIFYING A MEMORANDUM OF AGREEMENT
WITH AND AMONG THE FIREMAN'S BENEVOLENT ASSOCIATION, FMBA LOCAL
NO. 40 AND THE TOWNSHIP OF SOUTH ORANGE VILLAGE

WHEREAS, the Fireman's Mutual Benevolent Association, Local No. 40, and the Township of South Orange Village (collectively the "Parties") have previously executed a collective bargaining agreement (the "Agreement"); and

WHEREAS, upon the Township of South Orange Village's request, the Parties agree to reopen the Agreement for voluntary negotiations limited to various issues, which are within the scope of management prerogative, and shall remain so; and

WHEREAS, the Parties propose to enter into a written Memorandum of Agreement ("MOA") allowing the Parties to reopen the Agreement for voluntary negotiations limited to issues contained in the MOA with respects to a successor collective negotiations agreement, a copy of which is attached hereto as Exhibit A and signed by representatives of the Parties; and

WHEREAS, the MOA was expressly made subject to the approval and ratification of the Board of Trustees.

NOW, THEREFORE, be it Resolved by the Board of Trustees of the Township of South Orange Village that the Memorandum of Agreement, annexed hereto as Exhibit A, is hereby approved and its execution ratified by the Board of Trustees.

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Trustee Member	Motion	Second	Ayes	Nays	Abstain	Absent
Clarke						
Coallier						
Hartshorn Hilton						
Jones						
Schnall						
Zuckerman						

CERTIFICATION

I, Kevin D. Harris, Village Clerk of the Township of South Orange Village, County of Essex, State of New Jersey, do hereby certify that this is a true and correct copy of the Resolution adopted by the Board of Trustees at their special meeting held on Monday, August 3, 2020.

Kevin D. Harris
Village Clerk

MEMORANDUM OF AGREEMENT

WHEREAS, the Township of South Orange Village (“Village”) and FMBA Local 40 (“Union”) are parties to a Collective Negotiations Agreement (“CNA”) with an effective date of January 1, 2018 through December 31, 2021; and

WHEREAS, the Village, due to lost revenue and further anticipated future lost revenue as a result of the COVID-19 pandemic, approached the Union seeking concessions and modifications to the current CNA to avoid layoffs, involuntary furloughs and demotions of Village employees, including FMBA members; and

WHEREAS, the Village and the Union have engaged in discussions and negotiations to avoid layoffs, involuntary furloughs and demotions of Village employees, including FMBA members; and

WHEREAS, the Village and Union have reached agreement on a modification to the parties’ current CNA to avoid layoffs or involuntary demotions of FMBA Local 40 unit members.

NOW, THEREFORE, for good and valuable consideration, the existence of which is agreed to by the parties, the Village and the Union hereby agree to this Memorandum of Agreement (“MOA”) as a modification of the parties’ CNA effective January 1, 2018 through December 31, 2021 as follows:

1. All terms of the existing CNA shall remain in full force and effect except as modified by this MOA.
2. Article 12, *Salaries and Wages*, of the CNA addresses salary and wage increases for Union employees in each year of the current CNA. Article 12 shall be amended to provide that effective January 1, 2021, employees at top step in the guide will be frozen at their salary rate as of December 31, 2020 for the year 2021.
- 3.A. Article 12 will be further amended to explain that employees in the step guide agree to a wage freeze of 2% for 2021. Employees will move on the guide in 2021 but will receive a step increase that reflects the agreed-upon 2% wage freeze. By way of example only, if the employee was moving from a

step 1 salary of \$50,000 to step 2 salary of \$55,000, to determine the “adjusted” amount of step 2, we would first find 2% of the employee’s existing salary, then subtract it from the value of the second step. The formula is as follows: $\$55,000 - (\$50,000 * 2\%) = \$54,000$. Thus, instead of moving from \$50,000 to \$55,000, this employee will move from \$50,000 to \$54,000 in 2021.

3.B. Employees moving to top step of the guide in 2021 will, when moving to top step, receive an increase that reflects the agreed-upon 2% wage freeze. By way of example only, if the employee was moving from salary of \$82,228.04 to a top step salary of \$94,474.68 in 2021, to determine the “adjusted” amount of top step we would first find 2% of the employee’s existing salary, then subtract it from the value of the second step. The formula is as follows: $\$94,474.68 - (\$82,228.04 * 2\%) = \$92,830.12$ which represents their 2021 top step salary.

3C. Base wages will unfreeze on December 31, 2021 to be effective January 1, 2022, and employees will be placed at the salary level they would have been but for the freeze.

4. In consideration of the above, the Village agrees to move forward immediately with the hiring of five (5) new Firefighters in 2020 and promote two (2) members to Fire Captain.

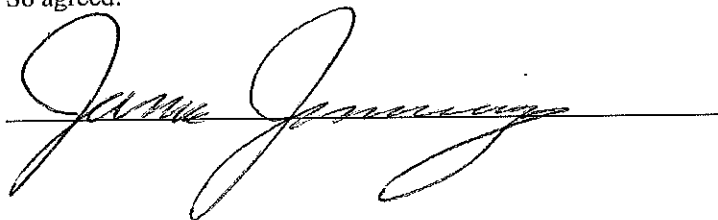
5. The Village agrees that should it become economically necessary at any point during the wage freeze period, as set forth in paragraphs 3 above, to institute layoffs or involuntary furloughs in the FMBA Local 40 negotiations unit related to COVID-19 and/or any shared service agreements, interlocal agreements, intralocal agreements, or third-party provider agreements, the Village will pay all Local 40 negotiating unit employees all amounts of wages previously subject to the wage freeze agreed to herein and which wages were frozen regardless of whether the employees were subject to lay-off or involuntary furlough. For any employees subject to layoffs or involuntary furloughs, the frozen wages repaid to employees will be calculated based upon the employees’ base amount.

6. The Village agrees to take all reasonable measures to assist Local 40, Local 240 and other public safety negotiating units in advocating for and applying, if applicable, for any federal and state money that essential personnel may be entitled to due to current and future legislation without guaranteeing its result

including but not limited to (H.R.6800 - The Heroes Act, State Municipal Assistance for Response and Transition Act/ "SMART" Act, H.R. 748 - Coronavirus Aid, Relief, and Economic Security Act/"CARES" Act) in addition to any permissive amendments and flexibility from the U.S. Department of Treasury to the Coronavirus Relief Fund (CRF) as a part of the CARES Act addressing loss in revenue not tied to direct expenses incurred by COVID-19 appropriations. The Village will also sign and adopt a resolution related to the "Cities are Essential" campaign led by the National League of Cities related to a \$500B appropriation to support local governments over the next year. If awarded any of the above-referenced packages directly relate to losses in revenue or appropriations related to first responders, the Village agrees to disclose and revisit the MOA. Such funds are also agreed to be exempt from consideration in future contract negotiations.

7. This MOA modifying the parties current CNA will become effective only upon ratification by the Village Board of Trustees and Union members.
8. The Union agrees to put this MOA to its members for a ratification vote and inform the Village Administrator of the outcome.
9. If the Union ratifies this MOA modifying the parties CNA then the Village Administrator will place this MOA before the Village Board of Trustees for ratification at its next public meeting.

So agreed.



Adam Loehner, Village Administrator

8/2/2020
Date

Date

TOWNSHIP OF SOUTH ORANGE VILLAGE

RESOLUTION APPROVING AND RATIFYING A MEMORANDUM OF AGREEMENT
WITH AND AMONG THE FIREMAN'S BENEVOLENT ASSOCIATION, FMBA LOCAL
NO. 240 AND THE TOWNSHIP OF SOUTH ORANGE VILLAGE

WHEREAS, the Fireman's Mutual Benevolent Association, Local No. 240, and the Township of South Orange Village (collectively the "Parties") have previously executed a collective bargaining agreement (the "Agreement"); and

WHEREAS, upon the Township of South Orange Village's request, the Parties agree to reopen the Agreement for voluntary negotiations limited to various issues, which are within the scope of management prerogative, and shall remain so; and

WHEREAS, the Parties propose to enter into a written Memorandum of Agreement ("MOA") allowing the Parties to reopen the Agreement for voluntary negotiations limited to issues contained in the MOA with respects to a successor collective negotiations agreement, a copy of which is attached hereto as Exhibit A and signed by representatives of the Parties; and

WHEREAS, the MOA was expressly made subject to the approval and ratification of the Board of Trustees.

NOW, THEREFORE, be it Resolved by the Board of Trustees of the Township of South Orange Village that the Memorandum of Agreement, annexed hereto as Exhibit A, is hereby approved and its execution ratified by the Board of Trustees.

#

Trustee Member	Motion	Second	Ayes	Nays	Abstain	Absent
Clarke						
Coallier						
Hartshorn Hilton						
Jones						
Schnall						
Zuckerman						

CERTIFICATION

I, Kevin D. Harris, Village Clerk of the Township of South Orange Village, County of Essex, State of New Jersey, do hereby certify that this is a true and correct copy of the Resolution adopted by the Board of Trustees at their special meeting held on Monday, August 3, 2020.

Kevin D. Harris
Village Clerk

MEMORANDUM OF AGREEMENT

WHEREAS, the Township of South Orange Village (“Village”) and FMBA Local 240 (“Union”) are parties to a Collective Negotiations Agreement (“CNA”) with an effective date of January 1, 2018 through December 31, 2021; and

WHEREAS, the Village, due to lost revenue and further anticipated future lost revenue as a result of the COVID-19 pandemic, approached the Union seeking concessions and modifications to the current CNA to avoid layoffs, involuntary furloughs and demotions of Village employees, including FMBA members; and

WHEREAS, the Village and the Union have engaged in discussions and negotiations to avoid layoffs, involuntary furloughs and demotions of Village employees, including FMBA members; and

WHEREAS, the Village and Union have reached agreement on a modification to the parties’ current CNA to avoid demotions of FMBA Local 240 unit members.

NOW, THEREFORE, for good and valuable consideration, the existence of which is agreed to by the parties, the Village and the Union hereby agree to this Memorandum of Agreement (“MOA”) as a modification of the parties’ CNA effective January 1, 2018 through December 31, 2021 as follows:

1. All terms of the existing CNA shall remain in full force and effect except as modified by this MOA.
2. Article 12, *Salaries and Wages*, of the CNA addresses salary and wage increases for Union employees in each year of the current CNA. Article 12 shall be amended to provide that effective January 1, 2021, employees at top step in the guide will not receive their anticipated 2% raises and will be frozen at their salary rate as of December 31, 2020 for the year 2021. Employees at Step 1 of either the Captain guide or the Deputy Chief guide will, when moving to Step 2 (top step) in 2021, receive an increase that reflects the agreed-upon 2% wage freeze. By way of example only, if the employee was moving from a Captain step 1 salary of \$102,858 to a step 2 salary of \$108,789, to determine the “adjusted” amount of step 2, we would first find 2% of the employee’s existing salary, then subtract it from the value of the

second step. The formula is as follows: $\$108,789 - (\$102,858 * 2\%) = \$106,732$, which represents their 2021 step 2 salary. Base wages will unfreeze on December 31, 2021 to be effective January 1, 2022, and employees will be placed at the salary level they would have been but for the freeze.

3. In consideration of the above, the Village agrees to move forward immediately with promotions and promote two (2) Firefighters to the rank of Fire Captain in 2020 and one (1) Fire Captain to Deputy Fire Chief.

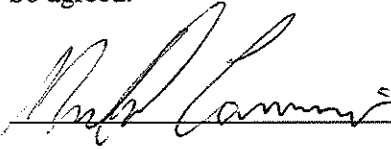
4. The Village agrees that should it become economically necessary at any point during the wage freeze period, as set forth in paragraphs 3 above, to institute layoffs or involuntary furloughs in the FMBA Local 240 negotiations unit related to COVID-19 and/or any shared service agreements, interlocal agreements, intralocal agreements, or third-party provider agreements, the Village will pay all Local 240 negotiating unit employees all amounts of wages previously subject to the wage freeze agreed to herein and which wages were frozen regardless of whether the employees were subject to lay-off or involuntary furlough. For any employees subject to layoffs or involuntary furloughs, the frozen wages repaid to employees will be calculated based upon the employees' base amount.

5. The Village agrees to take all reasonable measures to assist Local 40, Local 240 and other public safety negotiating units in advocating for and applying, if applicable, for any federal and state money that essential personnel may be entitled to due to current and future legislation without guaranteeing its result including but not limited to (H.R.6800 - The Heroes Act, S. 3752 - State Municipal Assistance for Response and Transition Act/ "SMART" Act, H.R. 748 - Coronavirus Aid, Relief, and Economic Security Act/"CARES" Act) in addition to any permissive amendments and flexibility from the U.S. Department of Treasury to the Coronavirus Relief Fund (CRF) as a part of the CARES Act addressing loss in revenue not tied to direct expenses incurred by COVID-19 appropriations. The Village will also sign and adopt a resolution related to the "Cities are Essential" campaign led by the National League of Cities related to a \$500B appropriation to support local governments over the year. If awarded any of the above-referenced packages directly relate to losses in revenue or appropriations related to first responders, the Village

agrees to disclose and revisit the MOA. Such funds are also agreed to be exempt from consideration in future contract negotiations.

- 6. This MOA modifying the parties current CNA will become effective only upon ratification by the Village Board of Trustees and Union members.
- 7. The Union agrees to put this MOA to its members for a ratification vote and inform the Village Administrator of the outcome.
- 8. If the Union ratifies this MOA modifying the parties CNA then the Village Administrator will place this MOA before the Village Board of Trustees for ratification at its next public meeting.

So agreed.



8/3/2020

Date

Adam Loehner, Village Administrator

Date