



## Legislation Text

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**File #:** 2015-0592, **Version:** 0

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### Title/Name/Summary

Ratification of Collective Bargaining Agreement between the Village of Orland Park and IUOE Local 399 - May 1, 2015 - April 30, 2019

### History

The tentative agreement was recently reached with IUOE Local 399 and ratified by the union membership and will cover the period May 1, 2015 through April 30, 2019. Attached is a detailed summary of the agreement.

Some important components of the tentative agreement that modify the previous agreement:

### **Term of Agreement**

4-year agreement, 5/1/15 - 4/30/19

### **Wages**

5/1/2015 - 2.0%

5/1/2016 - 2.25%

5/1/2017 - 2.25%

5/1/2018 - 2.25%

### **Health Benefits Arrangement**

In 2011, the Village and IUOE entered into a unique health benefits arrangement where IUOE's own Local 399 Health & Welfare Fund would provide health benefits to members of this bargaining unit. The Fund invoices the Village on an annual basis, but those costs are capped at no more than a 5% increase per any year. Under this agreement, those terms will continue, along with an incentive to share in savings for members of this bargaining for any years in which the renewal is less than the 5% cap.

In addition, the Village contributes an annual amount (paid twice per year) to offset uncovered medical expenses by members of this bargaining unit. This "healthcare equalizer" payment is in consideration for the substantial savings to the Village for the cost of this health benefit plan.

IUOE Local 399 Health and Welfare Trust Fund will invoice the Village of Orland Park on a monthly basis for covered members based on the following rate schedule effective from May 1 - April 30 of each year:

-The Village of Orland Park shall contribute, effective May 1, 2015, the sum of nine hundred and ten dollars (\$910.00) per month to the Health and Welfare Trust Fund, International Union of Operating Engineers Local 399, for each employee covered under the collective bargaining agreement. Covered employees are those full-time employees regularly working (40) hours a week or more.

-The employer shall start paying contribution on the first day of the month following the date of hire. The employer shall pay a full month contribution for the month in which the employee terminates.

### **Caps**

Effective May 1, 2015 and on May 1st of each year thereafter during the term of this Agreement, the Village of Orland Park agrees to pay the rate as established by the Trustees of the Trust Fund, not to exceed the amount set forth below:

-Effective May 1, 2015 the annual contribution by the Village will be capped at \$11,232.00.

- Effective May 1, 2016 the annual contribution by the Village will be capped at \$11,856.00.
- Effective May 1, 2017 the annual contribution by the Village will be capped at \$12,480.00.
- Effective May 1, 2018 the annual contribution by the Village will be capped at \$13,104.00.

**Healthcare Equalizer**

The Village shall make payments twice a year to each IUOE bargaining unit employee actively employed during that period.

Year	Annual Amount
2016	\$2,500
2017	\$2,500
2018	\$2,700
2019	\$2,700

**Financial Impact**

Costs for this bargaining agreement are factored in Village's annual operating budget.

**Recommended Action/Motion**

I move to approve ratification of the collective bargaining agreement for the period May 1, 2015 through April 30, 2019 between the Village of Orland Park and IUOE Local 399;

and

To authorize execution of said agreement by the Village Manager.