

**RESOLUTION 2017-51
RADNOR TOWNSHIP**

A RESOLUTION OF RADNOR TOWNSHIP, DELAWARE COUNTY, PENNSYLVANIA, ADOPTING THE CONSOLIDATED COLLECTIVE BARGAINING AGREEMENT (CBA) WITH THE RADNOR ASSOCIATION OF TOWNSHIP EMPLOYEES (RATE) BEGINNING JANUARY 1, 2017 THROUGH DECEMBER 31, 2023.

WHEREAS, the Binding Arbitration Act of 1968 provides that settlements entered into as a result of collective bargaining shall be reduced to written agreement; and

WHEREAS, RATE and the Township have previously reached an agreement concerning terms and conditions of employment of the RATE members through December 31, 2023 (“Consolidated CBA”); and

WHEREAS, such agreement was reached through the collective efforts of RATE leadership and the Administration with the guidance and support provided by the Township’s Administration; and

WHEREAS, such terms and conditions of the expiring agreement were approved by the Board of Commissioners at their public meeting on May 19th, 2014 (Resolution 2014-50); and

WHEREAS, RATE and the Township have agreed to memorialize the terms and conditions under a Collective Bargaining Agreement that will be in force through December 31, 2023 and thereafter until a new agreement or Award is reached;

NOW, THEREFORE, it is hereby **RESOLVED** that RATE and the Township agree that the Consolidated CBA shall be adopted effective January 1, 2017.

SO RESOLVED, at a duly convened meeting of the Board of Commissioners of Radnor Township conducted on this 13th day of March A.D., 2017.

RADNOR TOWNSHIP

By: 

Name: Elaine P. Schaefer

Title: President

ATTEST: 

Robert A. Zienkowski
Township Manager / Secretary

SETTLEMENT AGREEMENT

This Agreement, made this 13 day of March, 2017, ("Agreement") is by and between the Township of Radnor ("Township") and the Radnor Association of Township Employees ("Union" or "RATE").

WITNESSETH

WHEREAS, pursuant to the provisions of the Public Employee Relations Act, 43 P.S. § 1101.101 *et seq.* ("Act 195"), the Township and the Union have collectively bargained a revised and extended collective bargaining agreement; and

WHEREAS, Act 195 provides that settlements entered into as a result of collective bargaining shall be reduced to a written agreement; and

WHEREAS, the Township and the Union have reached an agreement as to the terms and conditions of employment of the bargaining unit members for the calendar year commencing January 1, 2017 and extending through December 31, 2023;

NOW THEREFORE, the Township and the Union intending to be legally bound hereby, agree as follows:

The existing provisions of the 2014-2016 Settlement Agreement ("2014 Agreement") shall be modified, as follows:

1. Term — Section 2.1 of the 2014 Agreement shall be amended to provide as follows:

The term of this Agreement shall begin on January 1, 2017, and shall continue in full force and effect through December 31, 2023, or until such later date as RATE and the Township may hereafter agree as to be the extended termination date. Any such extended date shall be evidenced by an amendment to this Agreement, in writing, and executed by both parties hereto.

2. Wages and Salary Provisions — Section 3.1 of the 2014 Agreement shall be amended to provide as follows:

<u>Date of Increase</u>	<u>Amount of Increase</u>
January 1, 2017	2.75%
January 1, 2018	2.75%
January 1, 2019	2.75%
January 1, 2020	2.75%
January 1, 2021	2.75%
January 1, 2022	2.75%
January 1, 2023	2.75%

3. Wages and Salary Provisions – Section 3.11 shall be added to the Agreement to provide as follows:

3.11 The Township shall pay any member of the bargaining unit who is called in for an unscheduled emergency on a Sunday an amount that is double their hourly rate. Any work previously scheduled to be done on a Sunday, including but not limited to leaf removal and advance storm preparation, shall not qualify for the rate increase contemplated in this provision.

4. Longevity – Section 4.1 of the 2014 Agreement shall be amended to provide as follows:

4.1 Each member of the bargaining unit employed on a full-time basis prior to January 1, 2014 shall be eligible to receive an annual longevity payment reflecting continuous service to the Township (“Longevity Payment”). The Longevity Payment shall be \$500 after four (4) continuous years of service, plus \$350 for each additional year of service up to and including an \$8,000 annual maximum. Longevity Payments shall be made December 1st and April 1st, or the next business day where applicable. No Longevity Payments shall be paid to employees hired on or after January 1, 2014.

5. Medical Coverage — Section 6.1 of the 2014 Agreement shall be amended to provide as follows:

6.1.1 As soon as practical after this Agreement is executed, the Township shall provide to each employee in the bargaining unit and his/her eligible dependents (as defined under the Township's health plan) with coverage under the "HDHP PPO Medical Plan." The HDHP PPO Medical Plan is described in the Summary Plan Description, attached hereto as "Exhibit A" and incorporated herein by reference. The medical coverage that was provided under the 2014 Agreement will remain in effect until the transition to the new HDHP PPO Medical Plan is implemented and finalized.

6.1.2 The Township reserves the right to provide these benefits through any funding mechanism or arrangement it deems reasonably appropriate under the circumstances.

6.1.3 In the event that the specific plan identified above ceases to exist or becomes otherwise unavailable, or if the Township so elects, the Township may unilaterally substitute equal or better coverage.

6. Prescription Drug Coverage — Section 6.3 of the 2014 Agreement shall be amended to provide as follows:

6.3.1 Covered employees and dependents shall be responsible for co-payments after the deductible is satisfied, in accordance with the Summary Plan Description incorporated and attached as Exhibit "A."

6.3.2 The Township reserves the right to provide these benefits through any funding mechanism or arrangement it deems reasonably appropriate under the circumstances.

7. Vision Coverage – Section 6.5 of the 2014 Agreement shall be amended to provide as follows:

6.5.3 Effective with the change in coverage to the HDHP PPO Medical Plan, the lens reimbursement of \$150 previously provided under the prior medical plan will now be provided every 12-months for eligible employees under the Vision Benefits of America coverage offered by the Township.

8. Premium Payments — Section 6.6 of the 2014 Agreement shall be retitled "Plan Deductible" and shall be amended to provide as follows:

6.6.1 The HDHP PPO Medical Plan is a high deductible medical plan under which an employee with single coverage is required to pay the first \$1,500 of medical expenses and an employee with any other coverage, including Couple, Family, or Parent and Child, is required to pay the first \$3,000 of medical expenses.

6.6.2 The Township shall create and help fund Health Savings Accounts (“HSA’s” or “HSA”) for all bargaining unit members who elect any medical coverage through the Township. On the first day of each Plan year, the Township will contribute one-half (1/2) of the annual Plan Deductible to each HSA (\$750 for single and \$1,500 for all other coverages). Employees shall contribute the other one-half (1/2) of the Plan Deductible, which shall be deducted from pre-tax dollars from the bargaining unit members’ biweekly wages. The HSA contributions shall be as follows:

HSA			
Coverage	Plan Deductible	Annual Township Contribution	Annual Employee Contribution
Single	\$1,500	\$750	\$750
Couple	\$3,000	\$1,500	\$1,500
Parent/Child	\$3,000	\$1,500	\$1,500
Parent/Children	\$3,000	\$1,500	\$1,500
Family	\$3,000	\$1,500	\$1,500

6.6.3 The HDHP PPO Medical Plan provides for maximum out-of-pocket limits that exceed the Plan Deductible. The Township shall reimburse bargaining members for costs associated with the out-of-pocket limits as follows:

In-Network			
Coverage	Annual Out-of-Pocket Limit for In-Network Including Plan Deductible	Plan Deductible	Employee Responsibility After Plan Deductible*
Single	\$4,500	\$1,500	\$3,000
Couple	\$12,000	\$3,000	\$9,000
Parent/Child	\$12,000	\$3,000	\$9,000
Parent/Children	\$12,000	\$3,000	\$9,000
Family	\$12,000	\$3,000	\$9,000

*For In-Network services, after the employee reaches the amount equal to the Plan Deductible, the employee is required to pay only the co-payments set forth on pages 2 and 3 in the In-Network Column of the Summary Plan Description attached as "Exhibit A". The employee is only responsible for co-payments up to the amount in this "Employee Responsibility After Plan Deductible" column.

Out-of-Network				
Coverage	Annual Out-of-Pocket Limit for Out-of-Network Including Plan Deductible	Plan Deductible	Employee Responsibility After Plan Deductible**	Township Responsibility After Plan Deductible
Single	\$7,000	\$3,000	\$3,000	\$1,000
Couple	\$18,000	\$9,000	\$9,000	N/A
Parent/Child	\$18,000	\$9,000	\$9,000	N/A
Parent/Children	\$18,000	\$9,000	\$9,000	N/A
Family	\$18,000	\$9,000	\$9,000	N/A

**For Out-Of-Network services, after the employee reaches the amount equal to the Plan Deductible, the employee is required to pay only the co-insurance amounts set forth on pages 1, 2, and 3 in the Out-Of-Network Column of the Summary Plan Description attached as "Exhibit A". The employee is responsible for only co-insurance payments up to the amount in this "Employee Responsibility After Plan Deductible" column.

6.6.4 Upon execution of this Agreement and prior to the change to the HDHP PPO Medical Plan, the Township will transfer each employee's existing premium contribution (7% or 10%) into his/her HSA account.

6.6.5 An employee who had a Flexible Savings Account ("FSA") under the 2014 Agreement will have all existing funds in his/her account transferred to his/her HSA when the HDHP PPO Medical Plan takes effect. At that time, all FSAs will be terminated.

6.6.6 While most employees will have lower payroll deductions for their HSA contribution than they currently contribute to their premiums, including any HMO rebate, certain employees will have higher payroll deductions under the HDHP PPO Medical Plan. To address this discrepancy for these

employees, the Township will pay two times the net differential for 2016 into that employee's HSA account. To the extent that the net differential payment combined with the other HSA contributions contemplated under this Agreement exceed the allowable federal contribution cap for 2017, the amount in excess of the cap shall be contributed to the employee's HSA account in 2018.

6.6.7 The Township reserves the right to seek an alternative healthcare plan through the current provider, which may result in a reduced or eliminated RATE member contribution towards plan deductibles or premiums, so long as such an alternative healthcare plan provides equal or better coverage.

9. Alternative Health Plan Options — Section 6.9 of the 2014 Agreement shall be struck in its entirety.

10. Flexible Spending Plan – Section 6.11 of the 2014 Agreement shall be struck in its entirety.

11. Holiday Leave – Section 8.3 of the 2014 Agreement shall be amended as follows:

8.3 Personal days shall be capped at six days per year. Carryover of personal days from one calendar year to the next calendar year is not permitted.

12. Other Post-Employment Benefits ("OPEB") – Section 12A of the 2014 Agreement shall be amended as follows:

12A.5 Employees entitled to post-retirement healthcare as set forth in Section 12A.1 and 12A.2 shall have the option to continue on the HDHP PPO Medical Plan with the Township covering the full amount of the monthly premium and deductible costs until he/she becomes Medicare eligible. Once the employee becomes Medicare eligible, the Township shall provide and cover the full amount of the monthly premium and deductible costs with a comparable secondary plan to the HDHP PPO Medical Plan and agrees to create a Health Reimbursement Account ("HRA") for the employee within 60 days from when the employee gave notice to the Township that such employee became eligible for such benefit. Through the HRA, the Township shall reimburse the retired employee for the costs associated with satisfying the plan deductible.

Alternatively, an eligible bargaining unit member may elect to receive post-retirement healthcare coverage through a non-high deductible plan that the Township makes available until the employee is Medicare eligible. When the employee retires, he/she will have the option to elect the alternative reduced cost plan with the savings being applied to spousal/family coverage. The retiree will be responsible for the difference of the deductible between the individual and family plans, providing RATE members with an additional option other than paying the COBRA rates as referenced in section 12.10, the alternative coverage will become secondary.

13. As Is — All provisions of the 2007-2011 Collective Bargaining Agreement, as amended by the 2011-2013 Settlement Agreement and the 2014-2016 Settlement Agreement, not expressly amended or revised by this Agreement shall remain as is and in effect for the duration of this Agreement.

RADNOR ASSOCIATION OF TOWNSHIP EMPLOYEES


Name

3/7/17
Date


Name

3-7-17
Date

TOWNSHIP OF RADNOR


Name

3-7-2017
Date


Name

3-17-2017
Date

Exhibit C

Seniority Layoffs

- A. Field Leader
- B. Mechanics
- C. Heavy Equipment Operators / Special Tech Small Equipment Repair
- D. Administrative Assistants
- E. Light Equipment Operators
- F. Drivers, Skilled Laborers, Sewer Maintenance
- G. Semi-Skilled Laborer
- H. Laborer / Collector