

TO: Honorable Mayor and City Council

FROM: City Administrator Ron Johnson

SUBJECT: Approve Amendment to International Union of Operating Engineers (IUOE- 49ers) Labor Agreement Regarding Wages

DATE: January 15, 2016

BACKGROUND

City Council approved the 2015 budget/levy at the December 1 Council meeting. Included in the budget was a 2.5% Cost of Living Adjustment (COLA) on January 1, 2016 and applicable step increases.

Council has approved a Cost of Living Adjustment (COLA) of 2.5% and applicable step increases for all non-union employees and has approved an agreement with the Law Enforcement Labor Services (LELS) bargaining unit with the same wage approvals.

The IUOE bargaining unit has subsequently agreed to the same offer, and the amendment related to the approval is attached for approval.

REQUESTED COUNCIL ACTION

Approve a motion approving an amendment to the International Union of Operating Engineers (IUOE- 49ers) Labor Agreement approving a Cost of Living Adjustment (COLA) of 2.5% and approving applicable step increases, retroactive to January 1, 2016.

Attachment(s): Addendum to IUOE Labor Agreement

**City of Cannon Falls and I.U.O.E., Local 49
Memorandum of Understanding**

2016 Considerations

1. Effective January 1, 2016, all employees covered under this Agreement shall receive a 2.5% wage increase.
2. Additionally, the Employer and the Union agree to meet and confer for the annual wage increases by January 1st, 2017.
3. Wage adjustment for employees including the above increases are as follows:
 - Wes Anway- Receives a step increase to Pay Grade 10, Step 7, effective 1/1/16 \$26.58.
 - Joey Gillen- Receives a 2.5% COLA increase effective 1/1/16 \$22.80.
 - Tony Haan- Receives a step increase to Pay Grade 7, Step 6, effective 1/1/16 \$20.46.
 - Ted Hartgers- Receives a 2.5% COLA increase effective 1/1/16 \$23.74.
 - Josh Otto- Receives a step increase to Pay Grade 10, Step 5, effective 1/1/16 \$24.98.
 - Dave Pagel- Receives a 2.5% COLA increase effective 1/1/16 \$27.68.
 - Chuck Peterson- Receives a 2.5% COLA increase effective 1/1/16 \$22.95.

This Memorandum of Understanding shall expire on December 31, 2016.

For the City of Cannon Falls:

For IUOE, Local 49:

Ron Johnson, City Administrator

Cory Bergerson, Business Agent

Date

Date