TO: Honorable Mayor and City Council

FROM: City Administrator Ron Johnson

SUBJECT: Approve 2% COLA- IUOE (49ers) for 2017

DATE: January 12, 2017

BACKGROUND

The International Union of Operating Engineers (49ers- IUOE) bargaining unit agreement allowed for a re-opener for wages only for 2017 (the term of the agreement is January 1, 2015 to December 31, 2017).

Public Works Director Bergeson and I met with the 49ers business agent and union steward on January 12 to discuss 2017 wages. I was informed, subsequent to this meeting, that the members voted to accept a 2% Cost of Living Adjustment (COLA) for 2017.

City Council earlier approved a 2% COLA for the police bargaining unit (LELS) and for non-bargaining unit employees for 2017. The 2017 budget includes a 2% COLA adjustment.

REQUESTED COUNCIL ACTION

Approve a motion to approve a 2% cost of living adjustment for employees in the International Union of Operating Engineers for 2017 retroactive to January 1, 2017.

Attachment(s): Memorandum of Understanding

International Union of Operating Engineers

LOCAL NO. 49, 49A, 49B, 49C, 49D, AND 49E MINNESOTA • NORTH DAKOTA • SOUTH DAKOTA

CLAYTON J. JOHNSON, President BRUCE STAHNKE, Vice President TIM L. OLSON, Recording-Corresponding Secretary ERIC R. O'GARY, Treasurer



GLEN D. JOHNSON Business Manager/Financial Secretary

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

2017 Wage Considerations

- 1. Effective January 1, 2017, all employees covered under this Agreement shall receive a 2% wage increase.
- 2. The Employer and the Union settled on a three year contract from 2014-2017 with wage openers each year to accommodate a wage and compensation study that was not implemented by the City.
- 3. The Union fully expects to work with the Employer upon completion of their wage and compensation study to implement any adjustments that are deemed necessary based on the results of such study.

This Memorandum of Understanding shall expire on December 31, 2017.

For the City of Cannon Falls:

Ron Johnson, City Administrator

Date

For IUOE, Local 49:

Bergerson, Business Agent

3-17