

**TO: MAYOR AND CITY COUNCIL**  
**FROM: JON RADERMACHER, City Administrator**  
**SUBJECT: Health Insurance MOU – 49ers**

**MEETING DATE: December 2, 2025**

**BACKGROUND**

We received a request for a memorandum of understanding from the International Union of Operating Engineers (IOUE), Local 49 (49ers) for a change in contract language relating to the health insurance provision of the contract. The following is the current language:

**Current Language – 49ers**

**24.2 HEALTH INSURANCE.** The EMPLOYER shall provide group health insurance available to all full-time employees. The EMPLOYER shall provide the employee with health insurance at no cost. The employee may elect additional coverage for family members. The EMPLOYER shall pay 50 % of the actual cost for elected employee family members not to exceed \$725/month.

**The requested change is:**

24.2 HEALTH INSURANCE. The Employer shall provide group health insurance available to all full-time employees. The Employer shall provide the employee with health insurance at no cost. The employee may elect additional coverage for family members. The Employer shall pay 50% of the actual cost for elected employee family members.

Which eliminates the cap of \$725/month, that the City will reimburse. The other union contract and personnel policy all have the language requested in the change as requested.

**Current Language – LELS**

**15.3 HEALTH INSURANCE.** The EMPLOYER shall provide group health insurance available to all full-time employees. The EMPLOYER shall provide the employee with health insurance at no cost. The employee may elect additional coverage for family members. The EMPLOYER shall pay 50 % of the actual cost for elected employee family members.

## **Current Language – MNPEA**

**15.3 HEALTH INSURANCE.** The EMPLOYER shall provide group health insurance available to all full-time employees. The EMPLOYER shall provide the employee with health insurance at no cost. The employee may elect additional coverage for family members. The EMPLOYER shall pay 50 % of the actual cost for elected employee family members.

## **STAFF RECOMMENDATION**

Accept the MOU to amendment the contract language removing the cap of \$725/month, to align with the benefits of all other full-time employees with the City.

## **REQUESTED COMMITTEE ACTION**

Motion to approve MOU Resolution with the International Union of Operating Engineers, Local 49, amending the 2024-26 Collective Bargaining Agreement, as presented, effective December 1, 2025.

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
CITY OF CANNON FALLS  
AND**

**THE INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 49**

This Memorandum of Understanding (“MOU”) is entered into by and between the City of Cannon Falls (“Employer”) and International Union of Operating Engineers, Local No. 49 (“Union”).

**WHEREAS**, the Employer and Union are parties to a Collective Bargaining Agreement (“CBA”) in effect January 1, 2024, through December 31, 2026;

**WHEREAS**, the Employer and Union have agreed to amend Article 24.2 in the CBA, and;

**WHEREAS**, the Employer and Union have agreed that the Employer will cover 50% of family coverage of health insurance;

**NOW, THEREFORE BE IT RESOLVED**, Article 24.2 will be amended to read as follows:

24.2 HEALTH INSURANCE. The Employer shall provide group health insurance available to all full-time employees. The Employer shall provide the employee with health insurance at no cost. The employee may elect additional coverage for family members. The Employer shall pay 50% of the actual cost for elected employee family members.

**IN WITNESS HEREOF**, the parties hereto have caused this MOU to be executed by their duly authorized representatives on the dates affixed below.

**CITY OF CANNON FALLS**

**INTERNATIONAL UNION OF  
OPERATING ENGINEERS LOCAL 49**

\_\_\_\_\_  
Matt Montgomery  
Mayor

\_\_\_\_\_  
Bryce Bushman  
Local 49 Business Representative

\_\_\_\_\_  
Jon Radermacher  
City Administrator

\_\_\_\_\_  
Wes Anway  
Union Steward

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date