

January 13, 2010

MEMORANDUM OF UNDERSTANDING

**Between
The City of Hoboken
and
Hoboken PBA Local 2**

Whereas, the City of Hoboken (the “**City**”) and PBA Local 2 (the “**PBA**”) (collectively “the **parties**”) have conducted collective negotiations to amend the existing contract for patrol officers in the Hoboken Police Department; and

Whereas, the parties have reached a tentative agreement on all issues which were the subject of the negotiations as set forth in this Memorandum of Understanding (“Memorandum”);

Now therefore, the parties agree to amend the existing contract as follows, all such amendments to become effective as of January 1, 2008 unless stated otherwise herein:

1. **Term of New Agreement (“Agreement”)**. January 1, 2008 through December 31, 2011.
2. **Salary**. The salaries for all officers and ranks shall be increased as follows:
 - (a) 3.9% retroactive to and effective as of January 1, 2008
 - (b) 3.9% retroactive to and effective as of January 1, 2009
 - (c) 2.3% effective on January 1, 2010
 - (d) 2.3% effective on January 1, 2011

Total 12.4%

Effective on January 1, 2010, the Salary Guide shall be adjusted to reflect a total of eight (8) salary steps as set forth on the attached Schedule A.

3. Health and Prescription Drug Insurance. As soon as possible after ratification of the Agreement, the health insurance program shall be modified as follows: (i) eliminate traditional indemnity insurance coverage and replace it with the so-called state defector direct access plan as described on the attached Schedule B and (ii) the prescription drug program co-pay shall be increased to \$5.00 for generic and \$10.00 for brand name. The contract shall be modified to provide that, commencing in 2010, the City shall have the right to change insurance carriers provided that, after the change, the coverage shall be equal to or better than the coverage before the change of carrier.

4. **Vacation Carry-over.** Shall be limited to two (2) years as provided by NJ Dept. of Civil Service Rule which provides in relevant part as follows: "Vacation leave not used in a calendar year because of business necessity shall be used during the next succeeding year only..." NJAC 4A6-1.2(g) (2). Nothing in this Memorandum shall be construed to deny or restrict the parties' rights under law with respect to accrued vacation time which exceeds two (2) years as of the date hereof.

5. **Terminal Leave.** Commencing in 2010, future hires shall accrue terminal leave at the rate of three (3) days for every year of service up to 25 years of service. With respect to current employees, (a) current hires shall continue to accrue terminal leave at the rate of five (5) days per year; (b) current hires with more than 30 years of service shall be capped at their current total, and (c) current hires shall no longer accrue terminal leave after completing their 30th year of service.

6. **Misc. Days Off.** Commencing in 2010, with the exception of bereavement leave and one (1) blood day, miscellaneous days off provided by Article III, Section 1, and 8 shall no longer be provided and each employee shall receive three (3) days of personal leave in lieu thereof, which days shall be non-cumulative, non-payable if not used, and which shall not be paid for at retirement. Effective January 1, 2011, each employee shall receive four (4) personal days. Other days provided in Section 1 shall be usable as priority vacation days.

7. **Overtime and Training Time.** Commencing upon execution of the Agreement, all overtime shall be paid in wages (as opposed to compensatory time) at the rate of time and one-half. All mandatory training shall, to the extent reasonably possible, be conducted while an officer is on duty. Subject to agreement on language, shifts may be reasonably modified to implement this provision. In the event that such training is conducted during off-duty hours, it shall be compensated at the rate of time and one-half.

8. **Outside Employment.** Commencing upon execution of the Agreement, the outside employment rate shall be \$65.00 per hour, of which \$56.00 shall be paid to the officer, \$5.00 shall be paid to the City for administrative fees and \$4.00 shall be paid to the PBA Good and Welfare Fund. The outside contractor shall pay to the officer overtime at the rate of time and one half for all hours worked beyond the number of work hours scheduled in the initial assignment. These changes shall apply to Section 3 of the OEP program only. The agreement between the PBA and the City dated on or about December 1, 2009 concerning other aspects of the OEP program, attached hereto as Schedule C, shall be incorporated in the Agreement

9. **Miscellaneous.** Commencing in 2010, **Article XXXVI**, Section 6 shall be modified to provide in substance that, officers shall be provided with a City vehicle to attend police schools, unless it is more practicable for the officer to attend the school directly from home, in which case the prevailing IRS per-mile reimbursement rate shall be paid.

Section 8 relating to payment of \$5.00 per day for residency schools shall be deleted. **Article III, Time Off** shall be amended to delete Section 7 relating to the payment to the PBA of \$500.00 toward the cost of attendance at police seminars.

10. **Uniforms.** Effective January 1, 2010, the uniform allowance shall be increased by \$200.00; effective January 1, 2011, the uniform allowance shall be increased by an additional \$200.00 making the total uniform allowance \$1200.00.

11. **Other Issues including contract language.** The parties acknowledge and understand that negotiations have been conducted concerning a vast array of contract language issues, many of which involve substantive changes to the Agreement. This Memorandum is subject specifically to final agreement by the parties on all such issues, (including agreement on the finalization of language to implement and adopt all of the contents hereof) a summary of which shall be appended to this Memorandum as Schedule D.

12. **Continuation.** Except as modified by this Memorandum of Understanding, all provisions of the existing agreement shall continue in full force and effect.

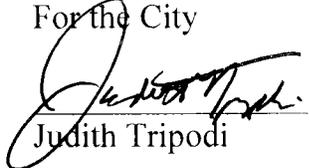
13. **Ratification.** This Memorandum is subject to ratification by the PBA and appropriate representative(s) (if any) of the City. If applicable, both negotiating teams agree to recommend affirmatively the ratification of this Memorandum.

In Witness Whereof, the parties have executed this Memorandum of Understanding by their duly authorized officers.

For the PBA

Vincent Lombardi
PBA President

For the City


Judith Tripodi 1/12/10