

**Memorandum of Agreement Regarding Joint Issues between the New Jersey Turnpike Authority and IFPTE Locals 194, 196, chapters 1 and 12, 200 and AFSCME Local 3914**

The New Jersey Turnpike Authority (the Authority) and IFPTE Locals 194, 196, Chapters 1 and 2, and 200 and AFSCME Local 3914 (Local Unions), having engaged in negotiations for agreements to succeed the collective bargaining agreements that expired on June 30, 2023, hereby agree to the following terms to be incorporated into the signatory locals' successor collective bargaining agreements:

1. Across-the-board wage increases:<sup>1</sup>

- a. July 1, 2023 – 3.5%<sup>2</sup>
- b. July 1, 2024 – 3.5%
- c. July 1, 2025 – 3.5%
- d. July 1, 2026 – 3.5%

All minimums and maximums shall be increased by the above across-the-boards on the effective dates indicated. Where steps are specified in dollar amounts, those amounts shall also be increased by the above across-the-boards.

2. Additional Step:<sup>3</sup>

Effective July 1, 2024, an additional step shall be added to the top step of each salary grade, range or scale. The additional step shall be 3% more than the top step of the current grade, range or scale. Employees on the current top step for 12 months or more shall advance to the new step on July 1, 2024. All other employees shall advance from the current top step to the new top step after 12 months on the current top step.<sup>4</sup> The 3% additional step shall be calculated based on the TOR or maximum step salary after the application of the July 1, 2024 3.5% ATB.

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<sup>1</sup> The ATBs for Local 3914 are the subject of a separate MOA.

<sup>2</sup> The Authority will use best efforts to pay retroactive pay to within 90 calendar days of ratification of an MOA between the Turnpike and a Union.

<sup>3</sup> The additional step applies to the unit members of all locals, with the exception of Local 3914. Compensation increases for Local 3914 unit members are the subject of a separate MOA.

<sup>4</sup> Local 3914 reserves its right to continue to propose a new salary guide, but one with a top rate based on the above proposal. Locals 194 and 200 reserve their right to continue to propose the elimination of a two-tier wage structure for Toll Department employees and to propose other modifications to the salary schedules of Toll Department employees. Local 194 reserves the right to propose modifications to the salary schedules of janitorial employees.

3. Living Wage:

All full-time and part-time employees shall be entitled to earn a "living wage." In this regard, the minimum hourly rate for employees in all bargaining units covered by this agreement shall be increased as follows:

- a. Effective Retroactive to July 1, 2023: \$18.00/hr.
- b. Effective July 1, 2024: \$20.00/hr.
- c. Effective July 1, 2025: Increased by the ATB
- d. Effective July 1, 2026: Increased by the ATB

After application of the annual across-the-board wage increases agreed to by the parties, any employee with hourly wages below the minimum hourly rate set forth above, shall be increased to the applicable minimum hourly rate.

Local 194 and Local 196, Chapter 1 reserve the right to negotiate salary schedules for part-time toll collectors, full-time toll collectors and janitors at their respective local tables.

4. Employee Healthcare Contributions:

Employee Contributions for all health benefit plans shall be calculated based on the contribution rates set forth in the August 17, 2022, Healthcare MOA, which rates shall remain in effect unless modified by mutual agreement.

5. Retiree Health Benefits:

- a. A retiree's surviving spouse and any eligible covered dependent (collectively, the "survivor") shall continue to receive Lifetime Health Benefits after the retiree's death until the survivor's death or ineligibility for coverage, except that in the event the surviving spouse gets remarried, the benefits shall expire upon the date that alternative benefits become available that are not substantially diminished benefits or substantially more expensive to the survivor. If benefits are available as a result of remarriage, it will be presumed that the alternative benefits are neither substantially diminished nor substantially more expensive. To continue coverage, the survivor shall demonstrate to the Authority that the alternative benefits are substantially diminished or substantially more expensive. The Authority's determination shall be final and not subject to challenge through the grievance and arbitration procedure in the applicable bargaining agreement, or any other means. A surviving spouse will have the right to obtain from the Turnpike a decision on whether her/his health benefits will expire if she/he remarries by providing the Turnpike with the benefit plan of her/his perspective spouse.
- b. All retirees that meet the eligibility criteria for, and are receiving Lifetime Health Benefits shall be eligible to receive:

- i. The same dental and vision benefits they received as active employees.
- ii. Reimbursement for the cost of Medicare Part B standard premium.
- c. The Turnpike will pay for the full cost of retiree Lifetime Health Benefits for employees who had at least 15 years of service in the pension system on or before the effective date of Chapter 78 (June 28, 2011). Employees who did not have at least 15 or more years of service in the pension system on or before the effective date of Chapter 78 will pay the percentage of their pension benefit the employee was paying of their base pay as an active employee prior to retirement or 1.5% of their monthly retirement benefit, whichever is less.

6. Open Enrollment:

The Authority shall make the DACH4 Plan available during the 2024 Open Enrollment Period consistent with the November 1, 2023 MOA, to be incorporated herein.

7. Meal Allowance:

For any employee that is currently entitled to a meal allowance under \$21.00, increase the meal allowance to \$21.00. No change to criteria for entitlement to meal allowance.

8. Uniform Allowance:

For any employee that is currently entitled to a uniform allowance, increase annual uniform allowance by \$25.00. No change to criteria for entitlement to uniform allowance. (Applicable to Local 196-1 and Local 200).

9. Boot/Shoe Allowance:

For any employee that is currently entitled to a Boot/Shoe allowance, increase the annual amount of the allowance by \$25.00. No change to the criteria for entitlement to the Boot/Shoe allowance or to the current practice as to how the allowance is paid.

10. Layoffs:

- a. In the event that the Authority determines that layoffs are necessary for any reason, the Authority shall provide at least 60 days' notice of layoffs to the Union and to the impacted members. Notice to the union shall include the reason(s) for the layoff, the positions to be eliminated, if any, and the names and titles of employees to be laid off. If the layoff is for fiscal reasons the Authority shall provide the Unions with financial information, upon request, that enables the Unions to propose layoff alternatives. This provision shall not be subject to the parties' Grievance Procedure.
- b. Upon written request of the Union, the Authority will meet with the Union and discuss alternatives to layoffs, including placing impacted employees in vacant positions for which they are qualified, and any other measures to reduce or

eliminate the need for layoffs. Absent an agreement between the parties, however, the Authority's decision regarding the layoff(s) and alternatives to layoffs shall be final and not subject to the Grievance Procedure.

- c. In the event that following negotiations over alternatives to layoffs, some unit members will be laid off, layoffs will be in reverse order of seniority within job classification. Employees that are to be laid off will also have the right to bump into a previously held lower job classification.

11. Toll Department Transition:

The Turnpike and the applicable union, in conjunction with each toll employee, shall develop an Employee Transition Plan ("ETP") to minimize the risk of job loss as the result of the implementation of electronic tolling. Each ETP shall: (a) identify potential positions, if any, outside of the Toll Department into which an employee can be placed, and (b) specify the training, the qualifications, and the apprenticeship programs, if any, that are suitable for the employee, and which will provide them with the necessary skills to be placed in the identified positions. ETPs for Toll employees shall be completed prior to June 30, 2024.

12. Return Privatized Work:

1. As soon as practicable following ratification, but not later than 60 days following ratification, the parties will meet and discuss the circumstances of a pilot program under which line striping and guardrail work can be performed by employees in the appropriate bargaining unit. The discussion will include identifying the safety measures and training that will be required before any bargaining unit employees perform this work. The discussion will also take into account the cost of any equipment that the Turnpike will need in order for this work to be performed by Turnpike employees in appropriate bargaining units.
2. The Turnpike will use best efforts to implement a pilot program to return some of the line striping and guardrail work currently performed by outside vendors to bargaining unit employees by July 1, 2024. The unions agree not to grieve whether the Turnpike used best efforts to return some of the line striping and guardrail work to bargaining unit employees.
3. Following one year of the pilot program, the Authority agrees to assess the effectiveness of the program and the extent to which additional white line striping and guardrail work should be performed by the employees in the appropriate bargaining unit. The parties shall also discuss the return of other subcontracted work on a pilot basis, including, but not limited to electrical, plumbing, air conditioning and automotive work. The Authority shall solicit the input of the unions as to the effectiveness of the pilot program.

13. Emergency Declaration: Increase the \$100 Emergency Bonus to \$125.

14. Drug and Alcohol Testing: See attached: (a) Non-DOT Alcohol and Drug Abuse Policy, and (b) DOT Drug-Free and Alcohol-Free Workplace Policy.

15. Eye Exams and Corrective Lenses: Increase coverage for out-of-network benefits in the Non-HMO Vision Plan (VISD3) as follows:

- a. Single Lenses: Increase from \$100 to \$125
- b. BiFocal Lenses: Increase from \$110 to \$135
- c. TriFocal Lenses: Increase from \$125 to \$150
- d. Contact Lenses: Increase 12-month supply from \$185 to \$210.

16. Bereavement Leave:

Effective January 1, 2024, the Authority agrees to pay a bereavement day based on the number of straight time hours that the employee would have worked on the shift (if employee was scheduled to work a 10-hour shift, he/she will receive 10 hours of paid bereavement leave). However, no employee shall receive more than a total of 40 hours of paid bereavement leave for any one relative's death. Nothing herein shall be interpreted to alter or change the number of bereavement days available to employees per event of bereavement, as set forth in the applicable collective bargaining agreement.

17. Discipline Hearings:


Effective January 1, 2024, the Authority will comply with the 20-day timeframe to schedule Step 2 disciplinary hearings 100% of the time. The Authority agrees to make best efforts to maintain a panel consisting of an adequate number of hearing officers, who shall serve as the hearing officer for Step 2 disciplinary appeals. If this timeframe is not complied with on two or more occasions within any calendar year, the Authority's Executive Director or designee and the Local Union shall meet to address the Turnpike's failure to adhere to time limits. The meeting will be held within ten (10) days of a request by any union. Within five (5) days following the meeting, the Executive Director or designee shall issue a directive to the Director of Human Resources that sets forth the steps to ensure compliance with time limits. If, during the six months following the issuance of the directive on two or more occasions the Authority fails to adhere to the contractual 20-day time limit for discipline hearings, the Authority and the Unions shall reopen negotiations over how to ensure compliance with contractual timeframes for disciplinary hearings.

19. Continued bargaining to finalize separate local union agreements:

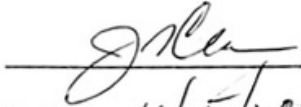
The signatory unions and the Authority will continue to negotiate over open issues at separate tables, following the execution of this MOA. Upon final agreement on the open issues at separate tables, each local union will submit the entire agreement, this Joint MOA and the MOAs reached to separate tables to their members for ratification.

11-15-2023 Final Joint Union MOA

On behalf of Local 194

  
Dated: 11/15/23

On behalf of the Turnpike Authority

  
Dated: 11/15/2023

On behalf of Local 196, Chapter 1

  
Dated: 11-15-2023

On behalf of Local 196, Chapter 12

  
Dated: 11/15/23

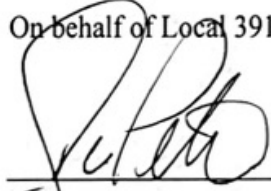
On behalf of Local 196, Chapter 1

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Dated:

On behalf of Local 200

  
Dated: 11/15/23

On behalf of Local 3914

  
Dated: 11.15.2023