



DES MOINES WATER WORKS
Board of Water Works Trustees

Agenda Item No. III-F
 Meeting Date: December 20, 2016
 Chairperson's Signature Yes No

AGENDA ITEM FORM

SUBJECT: Contract Extension between Des Moines Water Works and AFSCME, Council 61 and its Affiliated Local 3861

SUMMARY:

AFSCME approached Des Moines Water Works about the possibility of extending the current labor agreement which is in effect through December 31, 2018, for an additional three years. The items for consideration only included wages and DMWW's health insurance contribution amount for each year of the extension. In addition, the health insurance contribution amounts for 2017 and 2018 were included as the current contract states that both parties would meet and negotiate in good faith regarding the contribution amounts in each of those years. Given the current political climate, a contract extension makes sense as it protects the interests of DMWW and its AFSCME represented employees.

A tentative agreement was reached with AFSCME on December 7, 2016, to extend the current labor agreement through December 31, 2021. This agreement was ratified by the union on December 14, 2016.

The agreements related to wages and insurance contributions are as follows:

General Wage Increase

	<u>2019</u>	<u>2020</u>	<u>2021</u>
	2.75%	2.75%	2.75%

DMWW's Monthly Insurance Contribution Increase

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Single	\$20	\$20	\$20	\$20	\$20
Family	\$50	\$50	\$50	\$50	\$50

FISCAL IMPACT:

Health Insurance: Increased cost by \$194,220 over the three years.

Wages:

The 2019 wage increase plus wage step increases are estimated to increase labor costs by \$337,251 (3.44%).
 The 2020 wage increase plus wage step increases are estimated to increase labor costs by \$340,496 (3.35%)
 The 2021 wage increase plus wage step increases are estimated to increase labor costs by \$316,576 (3.02%)

RECOMMENDED ACTION:

Approve and authorize Chairperson to Execute the Agreement between the Des Moines Water Works and AFSCME, Council 61 and its Affiliated Local 3861, with all provisions to be implemented effective January 1, 2017.

BOARD REQUIRED ACTION:

Motion to approve and authorize Chairperson to Execute the Agreement between the Des Moines Water Works and AFSCME, Council 61 and its Affiliated Local 3861, extending the existing contract through December 31, 2021.

_____/_____ Doug Garnett HR Manager	_____/_____ 	_____/_____ William Stowe CEO and General Manager
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**Agreement between Des Moines Water Works and
AFSCME, Council 61, and its Affiliated Local 3861**

This addendum to the existing labor agreement currently in place through December 31, 2018 extends the agreement through December 31, 2021. The following changes will be made to the agreement and all other provisions shall remain the same.

During the year 2017 the Employer shall pay up to \$480 per month for single health insurance for each regular full time employee. The Employer shall pay up to \$1,325.00 per month for family coverage. Effective 2018 the Employer shall pay up to \$500 for single coverage and \$1,375.00 for family coverage for each regular full time employee. Effective 2019 the Employer shall pay up to \$520 for single coverage and \$1,425.00 for family coverage for each regular full time employee. Effective 2020 the Employer shall pay up to \$540 for single coverage and \$1,475.00 for family coverage for each regular full time employee. Effective 2021 the Employer shall pay up to \$560 for single coverage and \$1,525.00 for family coverage for each regular full time employee.

Appendix A Wage Schedule

2019: **2.75%** Across the Board Wage Increase

2020: **2.75%** Across the Board Wage Increase

2021: **2.75%** Across the Board Wage Increase

In witness whereof, the parties have caused this Agreement to be signed by their representatives and their signatures placed thereon, all on this ____ day of _____ at Des Moines, Iowa.

For Des Moines Water Works:

For AFSCME:

By: _____

By: _____

Graham Gillette
Chairperson

Rick Eilander
AFSCME/Iowa Council 61 Representative

By: _____

By: _____

Doug Garnett
Human Resources Manager

Jeanne Middleton
Negotiation Chairperson

By: _____

Bryan Pollpeter
Chapter Chair