### Memo

To: Board of Regents
From: Kevin McRae, Director of Labor Relations and Human Resources
Date: October 28, 2009
Re: Item 145-107-R1109

I recommend approval of the following labor agreement between the Montana University System and the United Association of Plumbers and Pipefitters.

The agreement covers 27 employees in Missoula, Bozeman, and Billings.

The agreement includes a two-year wage freeze through June 30, 2011.

Tentative Agreement between the Montana University System and the United Association of Plumbers and Pipefitters

The following revisions shall be incorporated into the collective bargaining agreement:

## #1 – Date Changes.

Change the dates throughout the contract to reflect a new two-year term of July 1, 2009, through June 30, 2011.

## #2 – Greater notice of layoff during the Fiscal Year 2010-11 biennium.

## ARTICLE XIV. DISCONTINUANCE OF EMPLOYMENT

Section A. Temporary Discontinuance of Employment

Temporary discontinuance of employment differs from permanent discontinuance in that the employee retains the right to reinstatement to employment after expiration of the specified period of discontinuance or the right to reinstatement consistent with the employee's retained seniority rights. Temporary discontinuance of employment may occur as follows:

## 1. <u>Layoff</u>

An employee may be laid off for an indefinite or specified term due to discontinuance of a department, classification, or program or the lack of funds or

absence of work to be performed. When the term expires or the reason for the layoff ceases to exist, the employee shall have the right to be reinstated to the position consistent with the employee's retained seniority rights. The layoff is distinguished from the discharge in that the layoff is in no way the result of any fault on the part of the employee and shall not result in any denial of cash compensation for unused vacation leave. Whenever layoff is required, the employer shall provide letters of recommendations and seek to assist the employee in obtaining other employment. At least fifteen (15) working days notice shall be given before any layoff. During the Fiscal Year 2010-11 biennium only, because of unusual budget difficulties in the Montana University System, the Employer agrees to provide at least thirty (30) calendar days notice before any layoff.

## #3 – Wage freeze.

Addendum A, VI

All employees in each classification will be compensated at the following wage rates.

	October 1, 2007	<u>October 1, 2008</u>
Maintenance Plumber	<del>23.26</del>	24.10
Refrigeration Technician	<del>23.26</del>	24.10
Plumber Foreman	<del>24.88</del>	25.78
Refrigeration Technician Forema	n <del>24.88</del>	25.78

If any other bargaining unit receives a general pay raise **of greater than 3.6%** in either year of the contract, the employer agrees to re-open the Plumbers and Pipefitters contract to negotiate wages.

# If any other bargaining unit receives an increase in the value of call-out pay, the employer agrees to re-open this contract to negotiate call-out pay.

The Foreman positions shall be an additional seven (7) percent of the Maintenance Plumber and Refrigeration Technician base wage.

When a member of the bargaining unit is assigned the duties and responsibilities of Foreman of the bargaining unit in the absence of the regular Foreman for eight (8) or more consecutive hours, the employee will receive the higher hourly rate of pay for the duration of the assignment.

## #4 – Note on Health Insurance.

The employer agrees to increase its contribution to each employee's monthly health insurance premium by 8.5% in July 2009 and by 8% in July 2010. The employee must be in a half-time-or-greater position to receive health insurance benefits. Currently, the employer pays \$7,512 per year toward each employee's premium.

The increases proposed here mean the employer would contribute \$8,148 toward each employee's premium in Fiscal Year 2010 (\$679 per month), and \$8,796 toward each employee's premium in Fiscal Year 2011 (\$733 per month).