

RESOLUTION NO. 009 -2023

**A RESOLUTION AUTHORIZING A SIDE LETTER AGREEMENT
BETWEEN THE CITY OF OTTAWA AND THE OTTAWA
INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS LOCAL 523**

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OTTAWA, ILLINOIS,
AS FOLLOWS:**

Section One: That the Mayor of the City of Ottawa, Illinois, be, and he is hereby authorized and directed to execute a side letter agreement between the City of Ottawa and the International Association of Fire Fighters Local 523, a copy of which is attached hereto and incorporated herein by reference.

Section Two: That all resolutions or parts thereof which are in conflict herewith are hereby repealed.

Section Three: That this Resolution shall be in full force and effect from and after its passage and approval as required by law.

	Aye	Nay	Absent
Commissioner Eichelkraut	<u>X</u>	_____	_____
Commissioner Ganiere	<u>X</u>	_____	_____
Commissioner Pearson	<u>X</u>	_____	_____
Commissioner Less	<u>X</u>	_____	_____
Mayor Aussem	<u>X</u>	_____	_____

Passed and Approved this 17th day of January, 2023.



Daniel F. Aussem, Mayor

ATTEST:



Shelly L. Munks, City Clerk

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SIDE LETTER AGREEMENT
BETWEEN THE CITY OF OTTAWA, ILLINOIA
AND
OTTAWA FIRE FIGHTERS LOCAL 523

Whereas, Ottawa Firefighters Local 523 (hereinafter “Union”) and the City of Ottawa, Illinois (hereinafter (“City”) wish to address the issues of employee turnover and the retention of current and future employees, and

Whereas, representatives of the Union and City have met to address said issues and have agreed to enter into this Side Letter Agreement.

NOW, THEREFORE, the Union and City agree as follows:

1. This Side Letter Agreement pertains to the current Collective Bargaining Agreement (CBA) between the Union and City and shall be deemed an amendment to the CBA. In the event of any conflict between the provisions of the CBA and this Side Letter Agreement, the provisions of this Side Letter Agreement shall control.
2. Current employees who were hired prior to December 1, 2022, shall be eligible to receive a one-time retention bonus contingent on the employee agreeing to continued employment with the City for an additional period of four (4) years following receipt of the retention bonus.
3. Current employees may elect to decline the retention bonus and there shall be no penalty if an employee separates from service at any time with the exception of the obligation to repay for training as provided in Section XVIII-Probationary Training of the CBA.
4. Employees electing to receive or decline the retention bonus shall execute a written declaration provided by the City to either receive or decline said bonus and said declaration shall be final and irrevocable. The written declaration shall be provided to the Union and or the employees immediately upon final approval and execution of this Side Letter Agreement. The failure of an employee to execute the written declaration within 14 days of the final approval and execution of this Side Letter Agreement shall be deemed a declination of the said bonus.
5. Employees electing to receive said retention bonus shall receive a one-time, non-pensionable payment of \$9,200.00. Employees may elect to receive said payment in a

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regularly issued paycheck, or have the payment deposited into a qualifying retirement account such as a 457 (b) plan. Such an election shall be made on the written declaration provided in paragraph 4 hereof.

6. Employees hired prior to December 1, 2022, who elect to receive said retention bonus and who voluntarily separate from service with four (4) years of the receipt of said bonus shall reimburse the City the entire sum of \$9,200.00. In such instances, the City may retain the said amount or any part thereof from any final compensation or payments due to an employee at the time of separation.
7. Employees who elect to receive the retention bonus and who separate from service within four (4) years of the receipt of said bonus due to retirement or disability shall not be required to repay or reimburse the City any amount of said retention bonus.
8. Employees hired after December 1, 2022, shall be eligible to receive a non-pensionable sign-on bonus of \$9,200.00 payable in four (4) equal annual installments of \$2,300.00 contingent on the employee's continued employment with the City. The initial installment payment shall be made by City to eligible employees with their first regular pay check or immediately following approval and execution of this Side Letter Agreement. The three (3) subsequent annual, non-pensionable installments shall be made on or about the anniversary date of the initial installment payment.
9. Employees hired after December 1, 2022, may elect to decline the sign-on bonus and there shall be no penalty if an employee separates from service at any time with the exception of the obligation to repay for training as provided in Section XVIII- Probationary Training of the CBA.
10. Employees electing to receive or decline the sign-on bonus shall execute a written declaration provided by the City to either receive or decline said bonus and said declaration shall be final and irrevocable. The written declaration shall be provided to the Union and or the employees immediately upon final approval and execution of this Side Letter Agreement. The failure of an employee to execute the written declaration within 14 days of the final approval and execution of this Side Letter Agreement shall be deemed a declination of the said bonus.
11. Employees hired after December 1, 2022, who elect to receive said retention bonus and who voluntarily separate from service with four (4) years of the receipt of said bonus

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shall reimburse the City the entire amount of the sign-on bonus received as of the date of separation from service (i.e. if an employee separates from service after receiving two installments or the sum of \$4,600.00, the employee shall reimburse the City the sum of \$4,600.00). In such instances, the City may retain the said amount or any part thereof from any final compensation or payments due to an employee at the time of separation.

12. The City by approval of the City Council reserves the right to waive an employee's obligation for reimbursement of the retention bonus or sign-on bonus at the City's sole and exclusive discretion.
13. This Side Letter Agreement shall expire on May 1, 2023, and shall have no further force, effect or validity.
14. The Union and City each represent to the other that this Side Letter Agreement has been approved and authorized by the Union and the Council of the City, and both intend to be bound hereby.
15. This Side Letter Agreement shall be effective on the latest date appearing below the signatories hereof.

Executed at Ottawa, Illinois.

City of Ottawa, Illinois

Ottawa Firefighters Local 523

By: 
Daniel F. Aussem, Mayor

By: 
President or Vice-President

Date: 1/17/2023

Date: 1/18/2023

