



CITY OF APPLETON

MEMORANDUM

Date: April 30, 2025
To: Chairperson Hartzheim; members of the HR/IT Committee; Appleton Common Council Members
From: Ron McDonald, General Manager of Valley Transit; Jay Ratchman, Director of Human Resources
Subject: Side Letter Agreement with Teamsters Local Union #662

The City of Appleton and Teamsters Local Union #662 have a collective bargaining agreement for Valley Transit employees, effective through December 31, 2026. This agreement sets the hourly wages for Mechanics and Master Mechanics.

Since June 2024, Valley Transit has been unable to fill a vacant Master Mechanic position, facing ongoing challenges in attracting qualified candidates. A recent market analysis shows the current wage for this role is no longer competitive. Additionally, staff retention has become a growing concern.

In response, and in collaboration with Teamsters Local Union #662, we propose a side letter agreement effective July 1, 2025, through December 31, 2026. At that time, either a successor agreement will take effect, or the terms will revert to the existing contract.

Key provisions of the proposed side letter include:

- **Wage Adjustment:** Increase the Master Mechanic hourly wage to \$35.9866. ASE certification will no longer be required to receive this wage.
- **New Position Creation:** Establish a *Shop Foreperson* position (job description attached) by elevating the current Lead Mechanic role. This position will receive an additional \$3.00 per hour above the full Master Mechanic wage. This replaces the Lead Mechanic premium outlined in Article 45.3 of the current contract.

The estimated financial impact for 2025 is \$15,642.74, which will be absorbed within the existing Valley Transit 2025 budget through salary savings from unfilled positions.