



Agenda Report

19-894

Agenda Date: 8/20/2019

REPORT TO COUNCIL

SUBJECT

Action on Approval of the 2018-2021 Memorandum of Understanding Between the City of Santa Clara and the Public Safety Non-Sworn Employees Association (Unit 10), a Resolution to Approve and Adopt the Associated Updated Salary Plan for Classifications represented by the PSNSEA, and authorization for the City Manager to Execute the Necessary Third Party Agreements and Documents to effectuate the Amendment to the Life Insurance Benefit in the Memorandum of Agreement.

BACKGROUND

The City of Santa Clara's collective bargaining agreement with the Public Safety Non-Sworn Employees Association (PSNSEA) (Unit 10) expired on December 22, 2018. This bargaining group currently represents approximately 70 full-time equivalent positions and includes the employee job classifications of Community Service Officer I/II, Fire Prevention Specialist I/II, Fire Protection Engineer, Jail Service Officer, Police Records Specialist, Police Records Supervisor, Public Safety Dispatcher, and Senior Public Safety Dispatcher.

On or about July 11, 2019, the City and PSNSEA reached an overall Tentative Agreement on the terms to be contained in the successor Memorandum of Understanding (MOU) between the City and PSNSEA. PSNSEA held a vote that concluded on June 30, 2019, resulting in PSNSEA ratifying the attached agreement.

DISCUSSION

The recommended action is approval of the MOU. If approved, the terms of the MOU will be in effect from December 23, 2018 through and including December 18, 2021.

The significant provisions of the new MOU are as follows:

Term

December 23, 2018 through December 18, 2021

Compensation Adjustments

Year 1 - Salaries will be increased by a 4.00% wage increase retroactive to December 23, 2018, for all persons still employed on the date the City Council approves the 2018-2021 MOU (scheduled for Council action on August 20, 2019).

Year 2 - For the December 2019-2020 MOU year, salaries will be increased by a 4.00% wage increase.

Year 3 - For the December 2020-2021 MOU year, salaries will be increased by a 3.00% wage increase. An additional 1.00% market equity adjustment will be provided to employees in the following classifications for a total wage increase of 4.00%: Public Safety Dispatcher I, II, III; Senior Public Safety Dispatcher; Fire Prevention Specialist I and II; Fire Protection Engineer; Police Records Specialist I and II; and Police Records Supervisor.

Post Certification Incentive Pay

Effective the first full pay period following Council approval of this MOU (August 25, 2019), employees in the Dispatcher classification series (Public Safety Dispatcher I, II, III; Senior Public Safety Dispatcher) that have achieved Intermediate POST certification shall receive 1.5% of base pay for this certification. Employees in the Dispatcher classification series (Public Safety Dispatcher I, II, III; Senior Public Safety Dispatcher) that have achieved Advanced POST certification shall receive an additional 1.5% (for a total of 3.0%) of base pay for this certification. To be eligible, and receive payment, employees must either provide proof from POST of the Intermediate or Advanced POST certificate or get written confirmation and approval from both the Training Sergeant and Police Chief (or designee) that the requirements for certification have been successfully completed.

Effective the first full pay period following Council approval of this MOU (August 25, 2019), employees in the classification of Police Records Supervisor that have achieved Records Supervisor POST certification shall receive 1.5% of base pay for this certification. To be eligible, and receive payment, employees must either provide proof from POST of the Records Supervisor POST certificate or get written confirmation and approval from both the Training Sergeant and Police Chief (or designee) that the requirements for certification have been successfully completed.

Bilingual Pay

Effective the first full pay period following Council approval of this MOU (August 25, 2019), employees that can demonstrate a higher level of bilingual proficiency by satisfying the more rigorous job connected oral and written testing process required by the Police Department than required for the standard bilingual pay, shall receive an additional \$45 per biweekly pay period; i.e. a total of \$90 per bi-weekly pay period.

Vacation Cashout

The amount of accrued vacation requested to be cashed out in the following year may not exceed sixty (60) hours.

Voluntary Employee Beneficiary Association (VEBA)

Effective the first full pay period of this MOU (August 25, 2019), the City shall contribute an additional \$50 per month per represented employee (for a total of \$100/month) to employee VEBA accounts.

Deferred Compensation

Effective beginning the first full pay period following Council approval of this MOU (August 25, 2019), the City shall contribute \$100 per month to the City's Section 457 deferred compensation plan on behalf of each represented employee.

Medical

Modify the language of the health insurance section to ensure compliance with the Affordable Care Act. The amount designated as "Kaiser employee only" will continue as the mandatory health allocation and the amount provided as cash in lieu for those that submit an attestation confirming other group health coverage.

Life Insurance

The City shall pay the monthly premium for a \$50,000 life insurance policy for all employees of the bargaining unit.

This Council Report includes a recommendation to authorize the City Manager to execute the necessary third party agreements and documents to effectuate the terms of the amended life insurance benefit for employees represented by PSNSEA.

Out of Class and Acting Pay

Effective the first full pay period after Council approval of the MOU (August 25, 2019), a supervisor may assign, in writing, an employee to work out of class in a higher classification and receive out of class pay if (a) the employee will assume the full range of duties of the higher classification; (b) the assignment will not and does not exceed 960 hours in a fiscal year and (c) is to a position in a higher class that is vacant during recruitment for a permanent employee (i.e. does not include a vacancy due to an employee on leave). Out of class pay shall be at the pay step in the higher class closest to but no less than 5% higher than the employees' base pay and is intended to be PERSable compensation under Government Code section 20480. To qualify as Out of Class Pay rather than Acting Pay, the assignment must be approved by the Chief of Police or his/her designee and the Human Resources Department.

Effective the first full pay period after Council approval of the MOU (August 25, 2019), a supervisor may also assign an employee to work in a higher class and receive "Acting Pay" if the employee does not qualify for Out of Class Pay. Acting Pay is not available unless the employee works at least four (4) hours in the higher classification and shall also be at the pay step in the higher class closest to but no less than 5% higher than the employee's base pay but is not PERSable compensation under Government Code section 20480.

For both Out of Class Assignments and Acting Assignments, the assignment will be paid for all actual time assigned to the higher classification, after a 4-hour elimination period on the first day of said assignment. If the Out of Class or Acting Assignment lasts more than 4 hours, the Out of Class or Acting Assignment Pay will begin with the first hour of the assignment. For a continuing Out of Class or Acting Assignment of less than 4-hour increments which lasts more than 4 hours, Out of Class or Acting Pay will begin with the first hour of the assignment.

Overtime Pay

All employees who are not assigned to work a 4-day week, 10-hour schedule shall be eligible for

double time for hours worked in excess of twelve (12) consecutive hours of actual work excluding meal time.

Court Callback

Effective the first full pay period following Council approval of this MOU (August 25, 2019), a represented employee who is called back to testify in court on his/her day off shall be granted a minimum of four (4) hours at the overtime rate.

Uniform Allowance

Effective the first full pay period following Council approval of this MOU (August 25, 2019), the annual uniform allowance for any employee required to wear a uniform shall increase from \$575 to \$600 per calendar year.

Communications Center

The City and PSNSEA will informally discuss implementation of Dispatchers running initial warrant and officer safety queries for field units on the primary police officer channel, including the timing of implementation, effect on workload for Dispatchers and other Department employees, training, and potential changes to policies and procedures. PSNSEA retains its rights to any legally required meet and confer on this change in duties to the extent not resolved through the parties' informal discussions. However, PSNSEA agrees that it shall not receive any increase in pay or other compensation in connection with Dispatchers running the initial warrant and officer safety queries described in this paragraph. PSNSEA also agrees that it will not make any proposal for, or argument in support of, additional compensation as part of any informal discussions or meet and confer regarding Dispatchers running these initial warrant and officer safety queries.

Salary Adjustment Form

The Salary Adjustment Form shall be eliminated.

Updated Salary Plan

Section 9 of the Personnel and Salary Resolution requires City Council approval of compensation plans for both classified and unclassified positions. California Code Regulations Section 570.5 requires the adoption of updated publicly available salary schedules by the governing body. The attached Resolution attaches and approves the updated salary plan for all classifications represented by PSNSEA consistent with the terms of the subject MOU.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a government organizational or administrative activity that will not result in direct or indirect changes in the environment.

FISCAL IMPACT

The City regularly budgets in its fiscal forecast the total compensation cost for its current Full-Time Employees and integrates projected cost increases from Council-approved MOUs in the City's Ten-Year General Fund Financial Forecast. The costs of the MOU are within budget authority approved

by the City Council through the negotiation process. The total cost of the salary portion of the MOU is approximately \$1.0 million over the term of the contract. Salary increases for FY 2019/20 and FY 2020/21 were factored into the Biennial Operating Budget. All other cost elements of this MOU will be evaluated and included in future updates of the Ten-Year General Fund Financial Forecast.

The additional retroactive cost of the MOU for FY 2018/19 is approximately \$200,000 in the General Fund Police and Fire Department budgets. Because of the timing of the MOU and the development of the budget, these costs were not included in the Adopted Budget. Sufficient Department vacancy savings are anticipated to be available to absorb the retroactive cost impact of the MOU in FY 2019/20. Staff will continue to monitor the budget and bring forward a budget adjustment at a later date, if necessary.

COORDINATION

This report has been coordinated with the City Attorney's Office and the Finance Department.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Approve and authorize the City Manager to execute the Memorandum of Understanding between the City of Santa Clara and Public Safety Non-Sworn Employees Association (Unit 10) with effective dates of December 23, 2018 to December 18, 2021;
2. Adopt a Resolution approving the updated salary plan for all classifications represented by the Public Safety Non-Sworn Employees Association (Unit 10), effective December 23, 2018; and,
3. Authorization for the City Manager to Execute the Necessary Third Party Agreements and Documents to effectuate the Life Insurance Benefit terms in the Memorandum of Agreement.

Reviewed by: Teresia Zadroga-Haase, Director of Human Resources

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. MOU PSNSEA (Unit 10) 2018-2021 - redline version
2. MOU PSNSEA (Unit 10) 2018-2021 - final
3. Resolution of the City of Santa Clara, California to Approve and Adopt the Updated Salary Plan for Classifications Represented by the Public Safety Non-Sworn Employees Association (Unit 10)
4. Classified Salary Plan Effective 12-23-2018