



## Agenda Report

18-1558

Agenda Date: 12/4/2018

### REPORT TO COUNCIL

#### SUBJECT

Action on the 2017-2020 Memorandum of Understanding between the City of Santa Clara and Unclassified Fire Management Employees (Unit 9B)

#### DISCUSSION

A tentative agreement has been reached between the City of Santa Clara (City) and Unclassified Fire Management (Unit 9B) on a successor Memorandum of Understanding (MOU). This report recommends approval of the MOU, and if so approved, will be in effect from December 17, 2017 through and including December 26, 2020.

The MOU between the City and Unit 9B expired on December 16, 2017. A tentative agreement was reached on November 14, 2018 and Unit 9B subsequently ratified the attached agreement.

The primary substantive elements of the agreement are:

#### Salary Adjustments

- Year 1 -- 5.76% wage increase retroactive to December 17, 2017 (same wage increase as IAFF (Unit 1))
- \$200/mo. additional City contribution per member to the City's Voluntary Employee's Benefit Association (VEBA), retroactive to December 17, 2017 in lieu of increasing the City's contribution to medical plans (as negotiated with other bargaining units)
- Years 2 and 3 - salaries will be increased by the same percentage as applicable to IAFF (Unit 1) employees on the same date. Staff is currently reviewing the survey information for the second MOU year and will bring an updated salary table based on the survey information for Council approval for an upcoming Council meeting.

#### Medical

- Effective October 1, 2018, 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.

#### Compaction Avoidance

- In Year 3 all salary ranges of classifications represented by the bargaining group will increase by 5% without an automatic increase in incumbent salaries; employees in the group will earn salary increases based on a guaranteed 2% merit adjustments.

#### Leaves

- Align personal leave and vacation accrual for 40 hour employees in Unit 9B to align with rest of City (32 hours of personal leave per year and 192 hours of vacation accrual per year if 21 or more years of service)

### **Residency Benefits**

- Unit 9B employees who reside within a 50-minute response requirement will receive a \$250 annual stipend and a Code 3 take home vehicle
- Unit 9B employees who reside outside that area but within a 90-minute response time will receive a hybrid take home vehicle
- Unit 9B employees who reside beyond those areas will receive a Code 3 vehicle while on duty only

### **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 governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

### **FISCAL IMPACT**

The total cost for the successor MOU over its three-year term is approximately \$1 million. The cost of the MOU associated with Fiscal Year 2017/18, retroactive from December 2017 through June 30, 2017, is estimated at \$75,000. The additional cost of the MOU above the assumptions used to develop the FY 2018/19 Adopted Budget for the current fiscal year is estimated at approximately \$60,000. The Fire Department is anticipated to absorb these costs. Staff will monitor actual department expenditures and bring forward a budget amendment at a later date, if necessary. If the MOU is approved, terms included in the recommended MOU will be included in the development of future budgets and reflected in the upcoming Ten-Year General Fund Forecast.

### **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) <<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 Unclassified Fire Management (Unit 9B) 2017-2020, with effective dates of December 17, 2017 to December 26, 2020.
2. Adopt a Resolution approving the salary schedule for Unclassified Fire Management (Unit 9B), effective December 17, 2017.

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

Approved by: Deanna J. Santana, City Manager

**ATTACHMENTS**

1. MOU Unclassified Fire Management (Unit 9B) 2017-2020 - final version
2. MOU Unclassified Fire Management (Unit 9B) 2017-2020 - redline version
3. Resolution Of The City Of Santa Clara, California To Adopt The Salary Schedule For Unclassified Fire Management (Unit 9B)