



Agenda Report

19-793

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 International Brotherhood of Electrical Workers Local 1245 (Unit 3), and a Resolution to Approve and Adopt the Associated Updated Salary Plan for Classifications represented by IBEW.

BACKGROUND

The City of Santa Clara's collective bargaining agreement with the International Brotherhood of Electrical Workers (IBEW) Local 1245 (Unit 3) expired on December 22, 2018. This bargaining group currently represents approximately 80 full-time equivalent positions and includes the employee job classifications of Electric and Water System Operator, Electric Crew Foreperson, Electric Helper/Driver, Electric Maintenance Worker, Senior/Electric Meter Technician, Senior/Electric Utility Electrician, Senior/Electric Utility Generation Technician, Senior/Principal Electrical Estimator, Fiber Splicing Technician, Journey Lineworker, Troubleshooter and Utility Locator.

On June 4, 2019, the City and IBEW reached an overall Tentative Agreement on the terms to be contained in the successor Memorandum of Understanding (MOU) between the City and IBEW. IBEW held a vote that concluded on July 3, 2019, resulting in IBEW 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 5.00% 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 5.00% wage increase.

Year 3 - For the December 2020-2021 MOU year, salaries will be increased by a 5.00% wage increase.

Medical

Effective the first full pay period following Council approval of the December 2018 - December 2021 MOU (August 25, 2019), employees that enroll in City health insurance will receive a City contribution to health premiums as follows:

- For persons enrolled in an employee only plan, the City will contribute toward medical premiums an amount when added to the amount equal to the greater of either \$970/month or the Kaiser Bay Area Region employee only premium.
- For persons enrolled in an employee plus one plan, the City will contribute toward medical premiums an amount equal to the Kaiser Bay Area Region employee plus one premium.
- For persons enrolled in an employee plus family plan, the City will contribute toward medical premiums an amount equal to the Kaiser Bay Area employee plus family premium.

Cash in Lieu

Employees who are not receiving cash in lieu on January 1, 2020 shall be ineligible for cash in lieu thereafter. In addition, any employee that is receiving cash in lieu on January 1, 2020 that subsequently stops receiving Cash in lieu (for example, if such employee subsequently enrolls in a City health plan), will not be eligible for cash in lieu thereafter.

Dental

Effective the first full pay period of Year 3 of the MOU, the City will contribute toward dental premiums up to an amount equal to the second lowest cost employee only dental premium amount.

Overtime Pay

Employees required to remotely access their work computer to complete Operations planning Analysis (OPA) of system conditions for Reliability Coordinator requirements will be paid for the greater of either 90 minutes or actual time spent completing the work at the pre-arranged overtime rate for off duty time spent on work related analysis when the employee is not asked to respond to a work location. The applicable manager responsible for approving overtime work is required to have provided advance approval before such off-duty work assignments. Remotely performed real time operations support tasks that are performed the same day or in real-time shall be treated as emergency overtime.

Rest Period Following Overtime Work

Employees who work a 12-hour shift, excluding Troubleshooters, and are requested to start work within three (3) hours and 59 minutes of their normal start of their shift are not eligible for a four (4) hour rest period. Double time will be paid for the greater of 3 hours or actual time worked prior to the start of their normal shift. All hours worked past 12 hours of the employee's actual start time will be paid at the double time rate. If the employee is called in for an emergency, the employee will be paid at the emergency rate until the emergency is concluded.

New Employee Orientation

The City shall provide IBEW with ten (10) days advance notice of the start date of any new hire to a represented classification and provide IBEW with an exclusive 30-minute meeting with any new employee or group of employees covered by the MOU.

Salary Adjustment Form

The Salary Adjustment Form shall be suspended during the term of the MOU (December 2018 - December 2021).

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 IBEW 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 governmental 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 Budget. 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 \$2.2 million over the term of the contract. Salary increases for FY 2019/20 and FY 2020/21 were factored into and included in the Adopted Operating Budget. However, salary increases for FY 2020/21 are approximately \$370,000 higher than the Adopted Budget. In addition, the retroactive cost of the MOU for FY 2018/19 is approximately \$350,000 in the Electric Utility Fund. Because of the timing of the MOU and the development of the budget, FY 2018/19 costs were not included in the Adopted Budget. Department savings are anticipated to be available to absorb the retroactive cost impact of the MOU in FY 2019/20 and higher than budgeted costs in FY 2020/21. The cost impact of other elements of the MOU (e.g. participation in health plans) will be evaluated as actual enrollment information is known. Staff will monitor the actual fiscal impact and bring forward any budget amendments, if necessary.

COORDINATION

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

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 International Brotherhood of Electrical Workers Local 1245 (Unit 3) 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 International Brotherhood of Electrical Workers Local 1245 (Unit

3), effective December 23, 2018.

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

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. MOU IBEW (Unit 3) 2018-2021 - redline version
2. MOU IBEW (Unit 3) 2018-2021 - final
3. Resolution of the City of Santa Clara to Approve and Adopt the Updated Salary Plan for Classifications Represented by the International Brotherhood of Electrical Workers Local 1245 (Unit 3)
4. Classified Salary Plan Effective 12-23-2018