



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Approve Memorandum of Understanding between the City of Sunnyvale and the Communication Officers Association, Adopt two Resolutions: (1) Amending the City's Salary Resolution and the Schedule of Pay to Increase Salaries for Pay Plan Category A (Classified Employees Represented by the Communication Officers Association ("COA")), and (2) For Paying and Reporting the Value of Employer Paid Member Contributions for CalPERS Retirement for COA Employees

BACKGROUND

A Tentative Agreement has been reached between the City of Sunnyvale (City) and the Communication Officers Association (COA) on a successor Memorandum of Understanding (MOU). COA represents Senior Public Safety Dispatchers, Public Safety Dispatchers, and Public Safety Dispatchers-In-Training. This report recommends approval of the MOU, which, if approved by the City Council, will be in effect from January 1, 2018 through and including December 31, 2021.

The MOU between the City and COA expired on December 31, 2017. Representatives for the City and COA began the meet and confer process in August 2017 and met 7 times to reach an agreement. A Tentative Agreement was reached on January 19, 2018, and on January 28, 2018, the City was notified that the COA membership ratified this agreement.

EXISTING POLICY

Council Policy 7.3.1 Legislative Management - Goals and Policies, Goal 7.3D: Maintain a quality work force, Consistent with state and federal laws, City Charter, and adopted policies in order to assure that City services are provided in an effective, efficient, and high quality manner.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" with 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.

DISCUSSION

The significant provisions of the new MOU are as follows:

Wages and Salary Survey

The prior 2015-2017 MOU provided salary adjustments for employees represented by COA based on an annual market survey of total compensation for 12 Bay Area cities. The methodologies of the survey remain the same in the 2018-2021 MOU. The formula sets salaries at 5% above the survey average on total compensation.

The only change is the wage differential between Public Safety Dispatcher and Senior Public Safety Dispatcher. Step 5 of the classification of Senior Public Safety Dispatcher was set at 14.5% above Step 5 of Public Safety Dispatcher in the prior MOU. The wage differential is increased to 15% in the 2018-2021 MOU.

Based on the results of January 2018 survey, it is recommended that the Schedule of Pay of the Salary Resolution be amended to reflect the new pay rate for Pay Plan Category A with an increase of 3.12%, effective February 11, 2018.

Going forward, staff intends to place amendments to the Schedule of Pay for bargaining units on the Consent Agenda when those amendments implement and are consistent with the terms of previously approved Memoranda of Understanding for applicable bargaining units (such as annual salary survey requirements).

Retirement

The total employee share of retirement required by CalPERS for Classic employees is 8% for tier 1 miscellaneous employees (2.7% at 55 formula) and 7% for tier 2 miscellaneous employees (2% at 60 formula). The City will increase the Employer Paid Member Contribution (EPMC) from 2% to 4%. This is consistent with the other bargaining units, and the City's actuary has determined that paying the EPMC is more cost effective for the City in the long-run. Tier 1 employees will pay the remaining 4% of the employee's contribution, and tier 2 employees will pay the remaining 3% of the employee's contribution.

Work Schedule

The existing 4/11 work schedule will continue. The pay practice of "balancing hours" and using the "fixed wages for fluctuating hours of work" methodology of payment under the FLSA will cease. Employees shall be paid for their actual worked and paid leave hours for each pay period.

Certification Pay

The certification pay of 1.5% will be modified to 1% for Emergency Medical Dispatcher Certification, 1% for Emergency Fire Dispatcher Certification and 1% for Emergency Police Dispatcher Certification.

Holiday In-Lieu Pay

The practice of pro-rating holiday in-lieu pay shall cease. Employees shall receive the full holiday in-lieu pay as long as the employee is in pay status in the pay period.

Education Incentive

Eligible employees shall receive 2.5% in addition to their normal base pay for possession of a Bachelor's Degree from an accredited college or university.

Insurance

- Employee Assistance Program (EAP) - The City will pay the EAP premium instead of deducting payment from the City cafeteria contribution.
- Vision insurance - Employee enrollment to vision insurance will change from mandatory to optional (voluntary).
- Life and AD&D insurance - The City cafeteria contribution will no longer pay for the supplemental life and AD&D insurance premium. Such premium will be paid by employees.

Cash In-Lieu of Medical Coverage

This benefit will be eliminated.

Paid Time Off (PTO)

The City Manager may authorize a higher accrual rate for newly hired employees.

Release Time for Association Business and Association Leave Bank

Release time will be provided for Association representatives to attend association business. In addition, employees represented by COA will contribute annually to the Association 1 hour of his/her accrued PTO to an Association leave bank.

FISCAL IMPACT

The FY 2017/18 Recommended Budget includes assumptions on increases in total compensation, which include salaries, benefits, and retirement. Adjustments in salary also affect salary related benefits, including retirement. The impact of the survey results over the projected budget assumptions (FY 2017/18) is estimated to be approximately \$38,000 per year. The Department of Public Safety FY 2017/18 Recommended Budget is \$99.5 million. The partial year impact of this adjustment can be absorbed within the department's budget.

The total twenty-year impact of the proposed MOU is approximately \$2.2 million and will be included in the FY 2018/19 Recommended Budget.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

ALTERNATIVES

1. Authorize the City Manager to Execute the Memorandum of Understanding between the City of Sunnyvale and the Communication Officers Association, Adopt two Resolutions: 1) Amending the City's Salary Resolution and the Schedule of Pay to Increase Salaries for Pay Plan Category A (Classified Employees Represented by the Communication Officers Association), and 2) for Paying and Reporting the Value of Employer Paid Member Contributions for CalPERS Retirement for COA Employees
2. Do Not Authorize the City Manager to Execute the Memorandum of Understanding between

the City of Sunnyvale and the Communication Officers Association, and do not adopt the two related resolutions

STAFF RECOMMENDATION

Alternative 1: Authorize the City Manager to Execute the Memorandum of Understanding between the City of Sunnyvale and the Communication Officers Association, Adopt two Resolutions: 1) Amending the City's Salary Resolution and the Schedule of Pay to Increase Salaries for Pay Plan Category A (Classified Employees Represented by the Communication Officers Association), and 2) for Paying and Reporting the Value of Employer Paid Member Contributions for CalPERS Retirement for COA employees.

Prepared by: Vienne Choi, Principal Human Resources Analyst

Reviewed by: Anthony Giles, Interim Director, Human Resources

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Memorandum of Understanding between the City of Sunnyvale and the Communication Officers Association (COA) 2018-2021 - no markup version
2. Memorandum of Understanding between the City of Sunnyvale and the Communication Officers Association (COA) 2018-2021 - redlined version
3. January 2018 Total Compensation Survey
4. Excerpt of Salary Table of COA Classifications
5. Resolution Amending the City's Salary Resolution and the Schedule of Pay to Increase Salaries for Pay Plan Category A (Classified Employees Represented by the Communication Officers Association)
6. Resolution for Paying and Reporting the Value of Employer Paid Member Contributions for COA employees