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File #: 18-0880, Version: 1

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### **REPORT TO COUNCIL**

#### **SUBJECT**

Approve Budget Modification No. 6 to appropriate \$270,000 in one-time funding to Program 365 - Wastewater Treatment.

#### **BACKGROUND**

In March 2018, Sunnyvale Employees' Association (SEA)/IFPTE Local 21 filed a grievance alleging that Water Pollution Control Plant (WPCP) Operators were required to arrive 15 minutes early to conduct shift turnover activities with the outgoing Operator, and were not paid for that time.

#### **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)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

#### **DISCUSSION**

On September 25, 2018, the City Council authorized settlement of the grievance in closed session to compensate current and separated employees working in the classifications of Water Pollution Control Plant Operator in Training, Water Pollution Control Plant Operator I/II, Senior Water Pollution Control Plant Operator, and Principal Water Pollution Control Plant Operator between March 29, 2015 to July 28, 2018, calculated based on 15 minutes per each individual's work shift and regular rates of pay during that period. . The Office of the City Attorney is preparing a Settlement Agreement and Release of Claims that impacted individuals will sign in order to be eligible for payment under the settlement.

SEA/Local 21 is in agreement with this resolution of the grievance. The parties also met and conferred and reached agreement regarding how WPCP shift changeovers will be handled going forward, with the new practice of one Senior Operator handling shift change effective August 1, 2018.

#### **FISCAL IMPACT**

The anticipated cost of the settlement to all employees is approximately \$270,000. All positions eligible for payment under the settlement are funded by the Wastewater Management Fund. Staff is recommending approval of Budget Modification No. 6 to appropriate \$270,000 in one-time funding to Program 365 - Wastewater Treatment for the payment. Actual amounts paid out will depend on the number of eligible individuals that opt in to the settlement, and any unused funds will be returned to fund balance at the end of the year. As this is a one-time cost, it can be absorbed without affecting wastewater utility rates.

**Budget Modification No. 6  
FY 2018/19**

	<b>Current</b>	<b>Increase/ (Decrease)</b>	<b>Revised</b>
<b>Solid Waste Management Fund</b>			
<u>Expenditures</u>			
Program 365 - Wastewater Treatment	\$11,506,995	\$270,000	\$11,776,995
<u>Reserves</u>			
Rate Stabilization Reserve	\$9,121,253	(\$270,000)	\$8,851,253

Funding Source

This cost will be funded by the Wastewater Management Fund

**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.

**RECOMMENDATION**

Approve Budget Modification No. 6 to appropriate \$270,000 in one-time funding to Program 365 - Wastewater Treatment.

Prepared by: Tina Murphy, Director of Human Resources

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager