



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Approve a Memorandum of Understanding between the City of Sunnyvale and the Sunnyvale Employees' Association/IFPTE Local 21; and Adopt Resolutions Amending the City's Salary Resolution and the Schedule of Pay to Increase Salaries for: 1) Pay Plan Category B (Employees Represented by the Sunnyvale Employees' Association/IFPTE Local 21), 2) Pay Plan Category G (Unrepresented Classified Confidential Employees), and 3) Pay Plan Category L (Part-Time Employees Represented by the Service Employee International Union Local 521)

BACKGROUND

A Tentative Agreement has been reached between the City of Sunnyvale (City) and the Sunnyvale Employees' Association/International Federation of Professional and Technical Engineers, Local 21 (SEA/IFPTE Local 21) on a successor Memorandum of Understanding (MOU). SEA/IFPTE Local 21 represents non-management miscellaneous full-time employees. This report recommends approval of the MOU, which if approved by the City Council, will be in effect from July 1, 2019 through June 30, 2022.

The MOU between the City and SEA/IFPTE Local 21 expired on June 30, 2019. Representatives for the City and SEA/IFPTE Local 21 began the meet and confer process in March 2019 and met 15 times to reach an agreement. A Tentative Agreement was reached on July 9, 2019, and the City was notified on July 18, 2019 that the SEA/IFPTE Local 21 membership ratified the Tentative Agreement.

Pursuant to the existing provisions of the Salary Resolution Section 1.000, Unrepresented Classified Confidential (pay plan category G) employees receive the same treatment as pay plan category B (SEA/IFPTE Local 21) employees, except for benefits associated with FLSA exempt designation (as defined in Sections 3.910, 4.000, 4.100, and 4.300) and special assignment work (as defined in Section 5.015). Unrepresented Classified Confidential (pay plan category G) employees are not organized and do not negotiate for any changes to their wages, hours, and/or other terms and conditions of employment. The action outlined in this Report to Council provides for the same salary and benefits changes (including aligning special assignment work) recommended for category B employees to be implemented for category G employees.

Service Employee International Union Local 521 (SEIU) represents classified regular part-time employees. Sections 19.4.f and 19.4.g of the SEIU 2017 - 2021 MOU provide that:

"If the Sunnyvale Employees Association (SEA) enters into a Memorandum of Understanding with the City that includes salary adjustments that are different than those in this Memorandum of Understanding, the salary adjustment in the Memorandum of Understanding with this unit shall be adjusted to be the same percentage across the board salary adjustments as SEA through the term of the Memorandum of Understanding. This 'me-too' is specific to salary adjustments and one-time lump sum payments alone, is in effect for the MOU ending June 2021 only, and

sunsets/expires at the end of this MOU.”

The action outlined in this Report to Council provides for the same salary adjustments and one-time off-salary-schedule pay in July 2019 and July 2020 recommended for category B employees to be implemented for category L employees.

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)(4) in that 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

The significant provisions of the new SEA/IFPTE Local 21 MOU are as follows:

Term

July 1, 2019 to June 30, 2022.

Salary

- Effective July 28, 2019: 4.0% across the board increase.
- Effective July 12, 2020: 3.0% across the board increase, and 1.5% of annual base salary as off-salary-schedule pay (not reportable compensation to CalPERS).
- Effective July 11, 2021: 3.0% across the board increase, and 1.5% of annual base salary as off-salary-schedule pay (not reportable compensation to CalPERS).

Special Assignment

New temporary pay adjustment of 5% for employees given a specific temporary special assignment clearly beyond the scope of their regular job description.

Bilingual Pay

Bilingual pay will be increased from \$27.69 to \$50 per pay period.

Hazardous Duty Pay

Employees who do not occupy one of the classifications listed in the MOU Section 16.7 cannot be assigned to perform hazardous duty.

Certification Pay

10 classifications will be added to be eligible for certification pay if possessing one of the certifications listed in the MOU Section 16.8.

Standby Duty Pay

Standby duty pay will be increased from 0.7 hour to 1 hour of compensation at the overtime rate for

each shift, and increased from 2 hours to 3 hours of compensation at the overtime rate on completion of 14 consecutive shifts.

Call-Out Duty

A new minimum of 30 minutes of compensation at the applicable overtime rate for employees who are on standby, and are contacted by telephone between 11:00 p.m. and 4:00 a.m., but do not return to work.

Class A and B Driver's License Compensation

Class A and B Driver's License compensation will be increased from \$75 to \$100 per month.

Supplemental Life and AD&D Insurance

Effective the plan year beginning January 2020, the City cafeteria contribution will no longer pay for the supplemental life and AD&D insurance premium. Such premium will be paid by employees.

Paid Time Off (PTO)

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

Bereavement Leave

Great-grandparent, great-grandchild, and an individual that the employee or spouse have legal guardianship over will be added as eligible for relationship for bereavement leave.

Tuition Reimbursement

The maximum reimbursement amount allowed for books will be removed. Employees are eligible for tuition reimbursement as provided in the City's Administrative Policy.

Jackets - Water Pollution Control

City provided insulated wind breaker-type jacket will be increased from one to two for Operators and Maintenance Mechanics at the Water Pollution Control Plant.

Reporting of Special Compensation - Uniforms

The maximum uniform reportable amount will be capped at \$550 per fiscal year.

Unrepresented Classified Confidential (category G) and SEIU (category L) Employees

Based on the Salary Resolution Section 1.000, it is recommended that the same salary and benefits changes (including salary increases, off-salary-schedule pay in July 2020 and July 2021, and special assignment pay) recommended for category B employees to be implemented for category G employees.

Based on terms and conditions in the SEIU MOU, and the City Council approved the SEIU MOU, it is recommended that the same salary adjustments and one-time off-salary-schedule pay in July 2019 and July 2020 recommended for category B employees to be implemented for category L employees to remain compliant with the agreement.

FISCAL IMPACT

The FY 2019/20 Budget includes increases to the budget for personnel related costs including salaries and benefits. The budget did not fully account for the impact of this Successor MOU. The

twenty-year impact of the one-time off salary schedule pay is approximately \$1.6 million. The net increase of the non-salary ongoing benefits is about \$211,000 per year totaling approximately \$6.9 million over twenty years for the whole package.

About 58% of this cost is borne by the General Fund with the remainder captured in the city's various other funds where operations are budgeted, primarily in the City's enterprise funds. The fiscal impact of the agreement can be absorbed in the current year and incorporated into the FY 2020/21 Recommended Budget. The impact on the General Fund Budget Stabilization Fund is a decrease from \$64.5 million to \$59.1 million in the twentieth year.

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 Sunnyvale Employees' Association/IFPTE Local 21; and Adopt Resolutions Amending the City's Salary Resolution and the Schedule of Pay to Increase Salaries for: 1) Pay Plan Category B (Employees Represented by the Sunnyvale Employees' Association/IFPTE Local 21), 2) Pay Plan Category G (Unrepresented Classified Confidential Employees), and 3) Pay Plan Category L (Part-Time Employees Represented by the Service Employee International Union Local 521).
2. Do Not Authorize the City Manager to Execute the Memorandum of Understanding between the City of Sunnyvale and the Sunnyvale Employees' Association/IFPTE Local 21, and do not adopt the related resolutions.

STAFF RECOMMENDATION

Alternative 1: Authorize the City Manager to Execute the Memorandum of Understanding between the City of Sunnyvale and the Sunnyvale Employees' Association/IFPTE Local 21; and Adopt Resolutions Amending the City's Salary Resolution and the Schedule of Pay to Increase Salaries for: 1) Pay Plan Category B (Employees Represented by the Sunnyvale Employees' Association/IFPTE Local 21), 2) Pay Plan Category G (Unrepresented Classified Confidential Employees), and 3) Pay Plan Category L (Part-Time Employees Represented by the Service Employee International Union Local 521).

Prepared by: Vienne Choi, Principal Human Resources
Reviewed by: Tina Murphy, 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 Sunnyvale Employees' Association/IFPTE Local 21, 2019-2022 - redlined version
2. Memorandum of Understanding between the City of Sunnyvale and the Sunnyvale Employees' Association/IFPTE Local 21, 2019-2022 - finalized version

3. Resolution Amending the City's Salary Resolution and the Schedule of Pay to Increase Salaries for Pay Plan Category B (Employees Represented by the Sunnyvale Employees' Association/IFPTE Local 21)
4. Resolution Amending the City's Salary Resolution and the Schedule of Pay to Increase Salaries for Pay Plan Category G (Unrepresented Classified Confidential Employees)
5. Resolution Amending the City's Salary Resolution and the Schedule of Pay to Increase Salaries for Plan Category L (Part-Time Employees Represented by the Service Employee International Union Local 521)