



City Council Agenda Item

City Council Meeting Date: January 21, 2020

TO: Jim Throop, City Manager

FROM: Gabriel Garcia, Human Resources Manager
g_garcia@ci.lompoc.ca.us

SUBJECT: Memorandum of Understanding between City of Lompoc and the International Brotherhood of Electrical Workers, Local Union 1245, AFL-CIO July 1, 2019 through June 30, 2021; Adoption of Resolution No. 6300(20)

Recommendation:

Staff recommends the City Council adopt Resolution No. 6300(20) (Attachment 1) which will:

- 1) Approve the Tentative Agreement between the City and the International Brotherhood of Electrical Workers, Local Union 1245 (IBEW 1245) for a successor Memorandum of Understanding (IBEW 1242 MOU 2016-2019) for the period of July 1, 2019, through June 30, 2020;
- 2) Approve the IBEW 1245 MOU 2019-2021;
- 3) Amend the Citywide Compensation Plan to revise the salary ranges for various IBEW represented classifications as prescribed in the IBEW MOU 2019-2021; and
- 4) Approve supplemental appropriations of \$815,164 for the Biennial Budget Fiscal Years 2019-2021 (Budget) which fund the salary and benefit increases as prescribed in the IBEW 1245 MOU 2019-2021.

Background:

The most recent MOU between the City and IBEW Local 1245 expired on June 30, 2019. The labor relations representatives for the City and representatives of IBEW Local 1245 have been meeting, conferring, exchanging information and labor proposals concerning wages, hours, benefits, and other terms and conditions of employment since November 7, 2018.

January 21, 2020

IBEW 1245 MOU 2019-2021; Adoption of Resolution No. 6300(20)

Page 2 of 4

City representatives and IBEW Local 1245 reached a tentative written agreement, which was executed by the parties and ratified by the membership of IBEW Local 1245 on October 29, 2019. Based on the ratified tentative written agreement, the parties drafted and executed the IBEW Local 1245 MOU 2019-2021.

Discussion:

Major provisions implemented in the Tentative Agreement and the IBEW MOU 2019-2021 include the following:

- **FY 2019/20:** The City and IBEW agree that, effective the payroll including September 1, 2019, the City shall provide IBEW represented employees on payroll as of the date of approval of a formal written Tentative Agreement and/or successor MOU by City Council, a 2% base salary increase, the continuation of which shall be contingent upon the following ongoing employee pension cost sharing being implemented pursuant to Government Code section 20516 within a reasonable period after City Council approval of a Tentative Agreement or successor MOU implementing the 2% base salary increase:
 1. CalPERS Tier 1 classic Unit members shall pay 8% as employee contribution, plus an additional 2% as ongoing employee cost sharing, for a total employee contribution of 10%.
 2. CalPERS Tier 2 classic Unit members shall pay 7% as employee contribution, plus an additional 1% as ongoing employee cost sharing, for a total employee contribution of 8%.
- **FY 2020/21:** The City and IBEW agree that, effective the payroll to include July 1, 2020, and contingent upon implementation of a CalPERS Contract Amendment pursuant to Government Code section 20516 and the employee cost sharing referenced above, the City shall provide IBEW represented employees an additional 3% base salary increase.
- **Classification Equity Adjustments:** The parties agree to meet and confer during the term of the IBEW MOU 2019-2021 on potential equity adjustments for the Journey Level Electrical Classifications, Wastewater Plant Operator series, Account Clerk and Accounting Technician series, Treasury Clerk series, and Warehouse and Purchasing series. It is understood there is no expectation that the City is required to provide equity adjustments for all or any of those classifications and that any such adjustments are subject to available funds and City Council approval.
- **Shift Differential Pay:** Employees that are required to work rotating or fixed shifts shall receive one-dollar and fifty cent (\$1.50) per hour for swing shift and two

dollars (\$2.00) per hour for midnight shift (“graveyard”) assignment. This pay shall be in addition to the employee’s hourly base pay for the affected shift schedule. Overtime pay, holiday pay, standby pay, etc. would reflect this shift differential for affected pay periods. Payoffs and buy-backs of accumulated holiday pay, annual leave, ATO, sick leave, etc. would not include shift differential, even if paid while the employee is working a shift eligible for shift differential. This provision does not apply to custodial employees as they are assigned shift work as a condition of hire and are compensated for that work in their base pay.

- **Health Benefit Contribution:** Effective July 1, 2020, the City shall provide IBEW represented employees increased medical contributions as follows: \$25 additional to one party, \$35 additional to two party, and \$50 to family coverage per month.

The proposed IBEW MOU 2019-2021 is set forth in the attached executed Tentative Agreement Summary between IBEW Local 1245 and the City. The executed Tentative Agreement results in a labor agreement covering July 1, 2019 through and including June 30, 2021.

Fiscal Impact:

The implementation of the IBEW MOU 2019-2021 requires supplemental appropriations of \$815,164 for the remainder of the FY 2019-2021 Budget cycle. The supplemental appropriations are allocated by funds as follows:

<u>Fund category</u>	<u>FY 2019-20</u>	<u>FY 2020-21</u>
	<u>Amount</u>	<u>Amount</u>
General Fund.....	\$42,176	\$169,418
Water Utility	44,191	84,464
Electric Utility	52,940	104,308
Wastewater Utility	35,858	73,090
Solid Waste Utility.....	43,058	85,727
Other Proprietary Funds	3,569	6,070
Other Governmental Funds	1,626	4,006
Internal Service Funds.....	21,257	42,846
Fiduciary Funds	273	287
Total	<u>\$244,948</u>	<u>\$570,216</u>

Resolution No. 6300(20) provides for the appropriation of funds for the remainder of the FY 2019-21 Budget cycle associated with the costs resulting from the approval of the IBEW Local 1245 MOU 2019-2021.

January 21, 2020

IBEW 1245 MOU 2019-2021; Adoption of Resolution No. 6300(20)

Page 4 of 4

Conclusion:

The IBEW MOU 2019-2021 would be adopted and effective upon City Council approval. If approved, the COLA adjustments and salary ranges will be implemented in accordance with the dates prescribed in the IBEW MOU 2019-2021 and delineated in Resolution No. 6300(20).

For the convenience of the reader, a red-lined version of the proposed IBEW MOU 2019-2021 is included as Attachment 2.

Except as provided above, the IBEW MOU 2019-2020 will be effective upon City Council approval. In order to incorporate the above-mentioned salary range revisions into the Citywide Compensation Plan, Personnel Rule IV provides they must be adopted by City Council action. If approved, the salary range adjustments will be implemented in accordance with the dates proposed in the IBEW MOU 2019-2021.

Respectfully submitted,

Gabriel Garcia, Human Resources Manager

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Jim Throop, City Manager

Attachments: 1) Resolution No. 6300(20)
2) Red-lined IBEW Local 1245 MOU 2019-2021