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Agenda Item: ID#18-1228 (1-H)

Date: 10/25/18

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CITY OF FRESNO  
CITY CLERK'S OFFICE

## FRESNO CITY COUNCIL



### Supplemental Information Packet

#### Agenda Related Item(s) – ID#18-1228 (1-H)

**Contents of Supplement: Local 39 and FCEA Side Letters of Agreement were missing pages. Attached are complete Side Letters of Agreement.**

#### Item(s)

Approve Side Letters of Agreement with the International Union of Operating Engineers, Stationary Engineers, Local 39 representing Unit 1; Fresno City Employees Association (FCEA) representing Unit 3; Amalgamated Transit Union, Local 1027 (ATU) representing Unit 6; and the International Brotherhood of Electrical Workers (IBEW), Local 100 representing Unit 7; modifying MOU provisions on leave integration for individuals eligible to receive State Disability Insurance ("SDI") and Paid Family Leave ("PFL")

#### **Supplemental Information:**

Any agenda related public documents received and distributed to a majority of the City Council after the Agenda Packet is printed are included in Supplemental Packets. Supplemental Packets are produced as needed. The Supplemental Packet is available for public inspection in the City Clerk's Office, 2600 Fresno Street, during normal business hours (main location pursuant to the Brown Act, G.C. 54957.5(2)). In addition, Supplemental Packets are available for public review at the City Council meeting in the City Council Chambers, 2600 Fresno Street. Supplemental Packets are also available on-line on the City Clerk's website.

#### **Americans with Disabilities Act (ADA):**

The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Requests for additional accommodations for the disabled, sign language interpreters, assistive listening devices, or translators should be made one week prior to the meeting. Please call City Clerk's Office at 621-7650. Please keep the doorways, aisles and wheelchair seating areas open and accessible. If you need assistance with seating because of a disability, please see Security.

**Side Letter of Agreement  
Between  
City of Fresno  
and  
International Union of Operating Engineers, Stationary Engineers, Local 39**

**State Disability Insurance (SDI) MOU Provision**

The City of Fresno and the International Union of Operating Engineers, Stationary Engineers, Local 39 have met and conferred, and have agreed to amend and replace Article VII. Section I. in its entirety as follows:

**I. STATE DISABILITY INSURANCE**

1. Employees who are members of this Unit have been enrolled in the State Disability Insurance (SDI) coverage plan pursuant to an Agreement by the parties.
2. Employees shall file claims in the same manner as required under the SDI Plan.
3. The City shall maintain SDI through employee payroll deductions to be funded by employee contributions.
4. **All employees with an approved SDI/Paid Family Leave (PFL) claim must notify the City within fourteen (14) calendar days of receipt of approval and fill out a form made available by the City indicating whether or not the employee desires to integrate leave with the claim. Extensions beyond fourteen (14) calendar days due to exigent circumstances, such as the employee being incapacitated, may be considered on a case-by-case basis by the Director of Personnel Services or designee.**

Eligible Employees who are absent from duty and are receiving SDI/PFL benefits who are eligible to use Sick Leave, Vacation Leave, Holiday Leave, or Compensatory Time Off, shall be eligible to integrate a portion of their individual leave balances with SDI/PFL benefits as noted below.

**Integrating** leave balances is defined as the SDI/PFL benefit and the monetary value of the employee's leave balances added together to provide a bi-weekly net income.

**Integrating** leave balances with SDI/PFL benefits will continue only if leave balances are available and the employee remains eligible to receive SDI/PFL benefits.

5. An employee who has elected to **integrate leave balances** will be considered to be **in paid** status for the purpose of accumulation of leave and other benefits. Once an employee's Sick Leave bank is depleted, the employee has the option of requesting to use other accumulated leave banks. Request of and approval of other accumulated leave banks will be per City policy requiring management's approval. If the employee chooses not to **integrate** leave or has

**no available balances**, then the employee will be in a Leave Without Pay (LWOP) status.

6. An employee who is receiving SDI/PFL who has exhausted all other leave balances and has received donated time in accordance with City policies, may use donated time in conjunction with SDI/PFL benefits. Use of donated time **shall be in accordance with the provisions of this section.**
7. **Employees who elect to integrate must provide Payroll with a copy of the Notice of Computation from the State of California Employment Development Department (EDD) within fourteen (14) calendar days of receipt, and are required to authorize EDD to share benefit computations with the City when filing the initial claim form(s). Extension beyond fourteen (14) calendar days due to exigent circumstances, such as the employee being incapacitated, may be considered on a case-by-case basis by the Director of Personnel Services or designee.**

**An employee who has made a timely election to integrate leave with SDI/PFL benefits shall be paid a biweekly amount, using appropriate accumulated leave, which, when added to SDI/PFL benefits shall approximately equal the employee's net pay after taxes (excluding overtime).**

**If an employee does not provide information on SDI/PFL benefits within fourteen (14) calendar days of receipt of the Notice of Computation, no integration will occur. Integration will not be provided for any period before the City receives notification of SDI/PFL benefits, including retroactively, and the employee provides signed notification that the employee wants to integrate.**

- a. Any period of absence during which an employee is receiving SDI/PFL benefits but is not receiving leave payments shall be deemed a leave of absence without pay.
- b. Service credits toward seniority, step increase eligibility, and probation periods shall be in accordance with the MOU and City policies/procedures.
- c. If an employee exhausts all available leave balances but continues receiving SDI/PFL benefits, the City's compensation shall cease.
- d. The City shall continue contributions toward the employee's health and welfare benefits and retirement contributions in accordance with established laws and practices during the pay periods that include leave payments by the City. The employee shall be responsible for payment of premiums required to maintain health and welfare benefits when City contributions cease in accordance with established laws, policies and practices.

- e. Eligible permanent part-time and permanent intermittent employees shall be included in this program on a pro-rata basis.
8. **If elected as described above, integration will end upon notification from the employee that SDI/PFL benefits have terminated, the employee exhausts all leave balances and/or donated time resulting in LWOP status, the employee's return to work, or the employee's separation from City employment; whichever comes first in time.**
9. In the event the City determines that legislative, administrative or judicial determinations cause changes which in any way restricts, reduces or prohibits any provision of this Agreement, the parties shall immediately meet to discuss necessary amendments and/or modifications.

This Agreement shall be effective on the date below until the implementation of a successor MOU. This subject will be addressed in the successor MOU.

FOR THE INTERNATIONAL UNION OF  
OPERATING ENGINEERS, STATIONARY  
ENGINEERS, LOCAL 39:

FOR THE CITY OF FRESNO:

\_\_\_\_\_  
BART FLORENCE  
Business Manager

\_\_\_\_\_  
KENNETH G. PHILLIPS  
Labor Relations Manager

\_\_\_\_\_  
STEVE CROUCH  
Director of Public Employees

\_\_\_\_\_  
MARINA MAGDALENO  
Business Representative

DATE: \_\_\_\_\_

APPROVED AS TO FORM  
CITY ATTORNEY'S OFFICE

BY: Stephanie M. Snyder  
for Assistant City Attorney

**Side Letter of Agreement  
Between  
City of Fresno  
and  
Fresno City Employees Association**

**State Disability Insurance (SDI) MOU Provision**

The City of Fresno and the Fresno City Employees Association (FCEA), representing Unit 3, Non-Supervisory White Collar, have met and conferred, and have agreed to amend and replace Article VIII. Section X. in its entirety as follows

**X. STATE DISABILITY INSURANCE (SDI)**

1. Employees who are in bargaining Unit 3, Non-Supervisory White Collar represented by the Fresno City Employees Association (FCEA), shall be enrolled in the State Disability Insurance (SDI) coverage plan. ~~Enrollment shall occur as soon as is practicable through the filing of the City of Fresno's (City) Application for Elective Coverage with the State Employment Development Department (EDD). Within a minimum of six (6) months following submission and approval by the EDD director of the City's Application for Elective Coverage an employee shall be eligible to file a valid claim.~~

Employees eligible for SDI benefits are those who are defined by Section 2601, et seq. of California Unemployment Insurance Code.

[\(Click here to access the SDI website\)](#)

Eligible employees covered under the SDI program shall receive benefits pursuant to California Unemployment Insurance Code Section 2655.

2. Employees shall file claims in the same manner as required under the SDI Plan.
3. The City shall maintain SDI through employee payroll deductions to be funded by employee contributions.
4. **All employees with an approved SDI/Paid Family Leave (PFL) claim must notify the City within fourteen (14) calendar days of their receipt of written notice of claim approval for SDI/PFL and fill out a form made available by the City indicating whether or not the employee desires to integrate leave with the claim. Extension beyond fourteen (14) calendar days due to exigent circumstances, such as the employee being incapacitated, may be considered on a case-by-case basis by the Director of Personnel Services or designee. Employees who are absent from duty and are receiving SDI/PFL benefits who are eligible to use sick leave, vacation leave, holiday leave, or**



compensatory time off, shall be eligible to integrate the payment of SDI/PFL benefits with such City-paid leave benefits.

- a. ~~Integrating leave balances is defined as the SDI benefit and the use of thirteen (13) hours per week of the employee's available leave balances added together to provide a regular bi-weekly income. Employees who elect to integrate must provide Payroll with a copy of the Notice of Computation within fourteen (14) calendar days of their receipt from EDD and are required to authorize EDD to share benefit computations with the City on their initial claim forms. Extension beyond fourteen (14) calendar days due to exigent circumstances, such as the employee being incapacitated, may be considered on a case-by-case basis by the Director of Personnel Services or designee.~~
- b. **An employee who has made a timely election to integrate leave with SDI/PFL benefits shall be paid a biweekly amount, using appropriate accumulated leave, which, when added to the SDI/PFL benefits shall provide the employee up to 100 percent of their normal gross weekly wages (excluding overtime pay) immediately prior to the start of the disability or period of family care leave.**~~when added to SDI/PFL benefits shall approximately equal the employee's net pay after taxes (excluding overtime).~~
- c. **If an employee does not provide information on SDI/PFL benefits within fourteen (14) calendar days of receipt of the Notice of Computation, no retroactive integration will occur, unless exigent circumstances apply. Integration will not be provided for any period before the City receives notification of SDI/PFL benefits, including retroactively, and the employee provides signed notification that the employee wants to integrate, unless exigent circumstances apply.**
- b d. **Integrating leave balances with SDI benefits will continue only if leave balances are available and the employee remains eligible to receive SDI benefits. Once integration begins, it will continue as long as leave balances are available and SDI benefits continue.**
- e. ~~The intent of the provision providing for integration of benefits is to provide a combined biweekly adjusted net income not to exceed, 100% of regular bi-weekly income as long as such eligible disability qualifies and available leave balances exist. The employee's authorized deductions shall continue to be deducted from pay.~~

~~Pay, including SDI benefits and bi-weekly pay, shall not exceed 100% of regular pay. If SDI benefits equal or exceed 100% of the regular pay, no City payment shall be made.~~

- ~~5. Eligible employees may use the following accrued City leave balances in conjunction with SDI benefits and in accordance with #6 below:~~

- ~~• Sick Leave~~
- ~~• Supplemental Sick Leave~~
- ~~• Vacation Leave~~
- ~~• Holiday Leave~~
- ~~• Compensatory Time Off (CTO)~~
- ~~• Donated time, when all other leave balances have been exhausted.~~

- ~~6 5. An employee eligible for SDI benefits who elects to integrate leave shall use thirteen (13) hours per week of their available leave balances. Once an employee's Sick Leave bank is depleted, the employee will use of available Supplemental Sick Leave at thirteen (13) hours per week, Vacation Leave, Holiday, or CTO, or donated time at thirteen (13) hours per week. Request of and approval of Vacation Leave, Holiday, or CTO will be per City policy. While integrating SDI/PFL benefits, employees will be considered to be in paid status for the purpose of leave accruals, holiday benefits, step increases, and health insurance coverage and any other employee benefits received as a result of being in paid status.~~

~~An employee who is integrating leave and has exhausted all other leave balances may apply for donated time in accordance with City policies. Use of donated time shall be in accordance with the provisions of this Section at thirteen (13) hours per week. Time for Permanent Part-Time employees shall be prorated in accordance with the employee's particular schedule.~~

~~If the employee chooses does not act to integrate benefits or exhausts their available leave balances, the employee will be in a Leave Without Pay (LWOP) status.~~

- ~~6. If elected as described above, integration will end upon notification from the employee that SDI/PFL benefits have terminated, the employee exhausts all leave balances and/or donated time resulting in leave without pay status, the employee's return to work, or the employee's separation from City employment; whichever comes first in time.~~

- ~~7. Initiating the integration of the above accrued leave balances with SDI benefits shall be subject to the following conditions:~~

- a. ~~The employee contacts their department's payroll clerk to establish a date to begin use of leave. In the event that an employee is unable to notify the department, contact from the employee's spouse, parent, or other close family member will be sufficient.~~
  - b. ~~Upon contacting their department, the employee shall immediately file a claim for SDI benefits with EDD.~~
  - c. ~~If the employee chooses not to contact their department as outlined in subsection (7.a.) above, available leave balances will be used at forty (40) hours per week and integration of benefits will not occur until the City receives notification of eligibility from EDD.~~
  - d. ~~If the City does not receive the appropriate notification from EDD prior to the end of the employee's disability status, the City shall modify the use of any leave balances to reflect appropriate use of leave in accordance with the MOU and City policies/procedures.~~
    - ~~(1) When the employee's eligibility has been established, the City shall make leave payments to the employee in the usual manner in accordance with the MOU and City policies/procedures.~~
    - ~~(2) If an employee exhausts all available leave balances but continues receiving SDI benefits, the City's compensation shall cease.~~
    - ~~(3) Any period of absence during which an employee is receiving SDI benefits but is not receiving leave payments shall be deemed a leave of absence without pay.~~
7. (4) Service credits toward seniority, step increase eligibility, and probation periods shall be in accordance with the MOU and City policies/procedures.
8. (5) The City shall continue contributions toward the employee's health and welfare benefits and retirement contributions in accordance with established laws and practices during the pay periods that include leave payments by the City. The employee shall be responsible for payment of premiums required to maintain health and welfare benefits when City contributions cease in accordance with established laws, policies and practices.
9. (6) In the event the City determines that legislative, administrative or



judicial determinations cause changes which in any way restricts, reduces or prohibits any provision of this Agreement, the parties shall immediately meet to discuss necessary amendments and/or modifications.

This Agreement shall be effective on the first pay period after Council approval until the implementation of a successor MOU. This subject will be addressed in the successor MOU.

For the Fresno City  
Employees Association:

For the City of Fresno:

\_\_\_\_\_  
TONY SILVA  
Labor Representative

\_\_\_\_\_  
KENNETH G. PHILLIPS  
Labor Relations Manager

APPROVED AS TO FORM  
CITY ATTORNEY'S OFFICE

BY: Stephanie M. Snyder  
for Assistant City Attorney