



Legislation Details (With Text)

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**Title:** \*\*\*Approve a Side Letter of Agreement with the International Union of Operating Engineers, Stationary Engineers, Local 39 (Local 39) representing Unit 1, which amends provisions of the Memorandum of Understanding (MOU) between the City and Local 39 regarding Overtime (Subject to Mayor’s Veto)

**Sponsors:** Personnel Services Department

**Indexes:**

**Code sections:**

**Attachments:** 1. Local 39 Overtime Side Letter

Date	Ver.	Action By	Action	Result
8/20/2020	1	City Council	approved	

**REPORT TO THE CITY COUNCIL**

**August 20, 2020**

**FROM:** JEFF CARDELL, Director of Personnel Services  
Personnel Services Department

**BY:** RICH BOYD, Labor Relations Manager  
Personnel Services Department

**SUBJECT**

\*\*\*Approve a Side Letter of Agreement with the International Union of Operating Engineers, Stationary Engineers, Local 39 (Local 39) representing Unit 1, which amends provisions of the Memorandum of Understanding (MOU) between the City and Local 39 regarding Overtime (**Subject to Mayor’s Veto**)

**RECOMMENDATION**

It is recommended that Council approve the attached Side Letter of Agreement with Local 39 which amends provisions of the MOU between the City and Local 39 regarding Overtime, effective August 31, 2020.

**EXECUTIVE SUMMARY**

Currently, Overtime provisions of the Local 39 MOU provide for compensation at the “applicable overtime rate” of pay, creating a situation where an employee may be paid at different rates of pay before and after midnight while working continuous overtime due to the new workday beginning at midnight. The Side Letter of Agreement amends the Overtime provisions so overtime that begins prior to midnight and continues past midnight into the following work day would be paid at the rate due at the beginning of the overtime assignment, either one and one-half (1-½) or two (2) times the employee’s rate of pay, for all continuous overtime hours worked. The amended language mirrors language in the IBEW MOU and would apply overtime consistently between the Units.

## **BACKGROUND**

At the request of Local 39, The City and Local 39 met in March 2020 to discuss the Overtime provisions of the MOU. As the Overtime provisions currently read, overtime is compensated at the “applicable overtime rate,” which creates a situation where compensation for an employee working an overtime assignment that rolls past midnight may be paid at a different rate of pay due to the beginning of a new work day. The Side Letter of Agreement represents a tentative agreement with Local 39 to revise the overtime provisions so that overtime beginning prior to midnight and extending past midnight into the following work day will be paid continuously at the rate due at the beginning of the assignment, at either one and one-half (1-½) or two (2) times the employee’s rate of pay.

The City has concluded its meet and confer obligation and the affected bargaining unit has concurred with the proposed Side Letter of Agreement.

The City Attorney’s Office has approved the Side Letters of Agreement as to form.

## **ENVIRONMENTAL FINDINGS**

By the definition provided in the California Environmental Quality Act Guidelines Section 15378 this item does not qualify as a “project” and is therefore exempt from the California Environmental Quality Act requirements.

## **LOCAL PREFERENCE**

Local preference is not implicated because this item does not involve public contracting or bidding with the City of Fresno.

## **FISCAL IMPACT**

The estimated cost to the Enterprise Fund for the balance of FY 2021 for implementation of the Side Letter is approximately \$4,200. The estimated annual cost to the Enterprise Fund is approximately \$4,600. No additional appropriation is requested for these costs.

Attachment: Side Letter of Agreement - Local 39 Overtime