



Legislation Details (With Text)

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**Title:** Actions pertaining to the International Union of Operating Engineers, Stationary Engineers, Local 39 for Unit 1  
 1. \*\*\*Adopt a successor Memorandum of Understanding between the City of Fresno and International Union of Operating Engineers, Stationary Engineers, Local 39, for Unit 1 (Subject to Mayor’s veto)  
 2. \*\*\*RESOLUTION - 5th Amendment to FY 2020 Salary Resolution No. 2019-135, amending Exhibit 1, Unit 1 - Non-Supervisory Blue Collar (Local 39), to provide a salary increase for respective classes as required by the Memorandum of Understanding between the City of Fresno and International Union of Stationary Engineers, Stationary Engineers, Local 39 (Subject to Mayor’s veto)

**Sponsors:** Personnel Services Department

**Indexes:**

**Code sections:**

**Attachments:** 1. Local 39 FINAL MOU, 2. Local 39 REDLINE MOU, 3. Costing Local 39 19-12-18, 4. Resolution - 5th Amend to FY20 Salary Resolution, 5. Salary Tables - 5th Amend to FY20 Salary Resolution - Redline, 6. Salary Tables - 5th Amend to FY20 Salary Resolution - Final

Date	Ver.	Action By	Action	Result
1/16/2020	1	City Council		adopted

**REPORT TO THE CITY COUNCIL**

**January 16, 2020**

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

**BY:** KEN PHILLIPS, Labor Relations Manager  
Personnel Services Department

**SUBJECT**

Actions pertaining to the International Union of Operating Engineers, Stationary Engineers, Local 39 for Unit 1  
 1. \*\*\*Adopt a successor Memorandum of Understanding between the City of Fresno and International Union of Operating Engineers, Stationary Engineers, Local 39, for Unit 1 (**Subject to Mayor’s veto**)  
 2. \*\*\*RESOLUTION - 5th Amendment to FY 2020 Salary Resolution No. 2019-135, amending Exhibit 1, Unit 1 - Non-Supervisory Blue Collar (Local 39), to provide a salary increase for respective classes as required by the Memorandum of Understanding between the City of Fresno and International Union of Stationary Engineers, Stationary Engineers, Local 39 (**Subject to Mayor’s veto**)

## RECOMMENDATION

It is recommended Council: (1) approve the attached successor Memorandum of Understanding (MOU) to implement wages, hours and other terms and conditions of employment for City employees in Unit 1, Non-Supervisory Blue Collar, represented by Local 39; and (2) adopt the Fifth Amendment to the Fiscal Year 2019 Salary Resolution No. 2019-135 to amend Exhibit 1.

## EXECUTIVE SUMMARY

The City and Local 39 reached a tentative agreement on a successor MOU which will replace the MOU that expired on June 30, 2019. The MOU provides for an agreement from January 6, 2020 through January 1, 2023, increases to salaries, and other changes. To implement the MOU it is necessary to approve the Fifth Amendment to FY 2019 Salary Resolution No. 2019-135, amending Exhibit 1 to implement salary adjustments as stated in the MOU. The MOU and Salary Resolution Amendment are effective January 6, 2020.

## BACKGROUND

The City and Local 39 started meeting in May 2019 to work towards reaching agreement on a successor MOU. Members of the Unit ratified on December 20, 2019.

Significant changes that are included in the attached MOU are summarized below:

- **Term:** Three years. January 6, 2020 to January 1, 2023.
- **Wages:**
  - 3% general wage increase, effective January 6, 2020.
  - 3% general wage increase, effective January 4, 2021.
  - 2% general wage increase, effective January 3, 2022.
- **Leaves:**
  - Employee Incentive Time Off: Discontinue program. Allow employees to use existing accruals until November, 2020. Remaining accruals to be cashed out the pay period starting 11/23/2020.
  - Holiday: Add one personal business day. Clarify language for work performed on a holiday.
  - Sick: Eliminate 900 hour cap. Update language to reflect current regulations on protective leave.
- **Premium Pay:**
  - Fire Marshal State Certification Pay: Add premium for certain State Fire Marshal certifications of \$75 per month for Equipment Service Worker IIs assigned to the Fire maintenance section of the Public Safety Division, and \$100 or \$150 per month for Fire Mechanics.

- Homeless Taskforce: Add premium of \$75 per month for employees in Solid Waste assigned to the Homeless Taskforce.
- ASE Certificate Pay: Provide certificate pay of \$50 per month for employees in the Automotive Parts series.
- Underground Storage Tank (UST) Operator Certificate Pay: Provide a premium pay of \$75 per month when required to obtain and maintain the certificate.
- Blue Seal of Excellence Pay: Increase by \$100 from \$500 to \$600 annually.
- Standby Pay: Increase by \$0.20 to \$1.65 per hour. Include language to assign Standby by seniority.
- Confined Space Pay: Increase by \$0.40 to \$1.90 per hour. Amend language to more accurately reflect CalOSHA language.
- **Other Health Insurance Opt Out:** Increase opt out benefit by \$50 per month from \$250 to \$300.
- **Safety Shoes:** Increase payment from up to \$175 to up to \$200, or up to \$250 where special shoes are required.
- **Solid Waste Safety and Training Specialist:** Raise pay scale to the level of the Unit 3/FCEA Safety and Training Specialist classification. Revise job specification to reflect comparable education requirements and job duties.
- **Bilingual Certification Program:** Include language to codify that employees who fail to recertify will no longer receive bilingual pay and general language cleanup.
- **State Disability Insurance:**
  - Incorporate Side Letter regarding change in leave integration into MOU.
  - Revise language for employees with an approved SDI/PFL claim to notify the City within 14 calendar days of the claim date instead of receipt of approval from EDD.
  - Add provision to allow employees to integrate all available leave banks authorized to use.
  - Modify language for employees electing to integrate leave to provide Payroll with a Notice of Computation from EDD within 14 days of issue date instead of receipt date.
- **Dues Deduction:** Incorporate Side Letter modifying provisions on dues deductions in compliance with Senate Bill 866.
- **New Employee Orientation/Employee Information:** Incorporate Side Letter on AB 119 requirement that employee organizations have the right to address new employees at New Employee Orientation, and that the City will provide contact information on all employees in the Unit.
- **Gender References:** Change gender specific references to gender neutral references in conformance with state regulations.

The City Attorney's Office has approved the new MOU and Salary Resolution Amendment 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**

Approval of the MOU and Salary Resolution Amendment will result in an additional salary and benefit expenses of approximately \$682,980 to all funds in Fiscal Year 2020, of which the General Fund share is approximately \$47,445, approximately \$2,173,401 to all funds in Fiscal Year 2021, of which approximately \$158,434 is the General Fund share, and approximately \$3,418,756 to all funds in Fiscal Year 2022, of which the General Fund share is approximately \$254,021. The Fiscal Year 2020 Budget includes additional resources for these additional expenses.

### Attachments:

City of Fresno - Local 39 MOU - Redline

City of Fresno - Local 39 MOU - Final

Costing for Proposed MOU

Resolution - Fifth Amendment to FY 2020 Salary Resolution No. 2019-135

Salary Tables - Fifth Amendment to FY 2019 Salary Resolution No. 2019-135 - Redline

Salary Tables - Fifth Amendment to FY 2019 Salary Resolution No. 2019-135 - Final