



Legislation Details (With Text)

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Title: 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")

Sponsors: Personnel Services Department

Indexes:

Code sections:

Attachments: 1. SDI SLA - L39 Final.pdf, 2. SDI SLA - FCEA Final.pdf, 3. SDI SLA - ATU Final.pdf, 4. SDI SLA - IBEW FINAL.pdf, 5. Supplement - Complete Side Letters of Agreement.pdf

Date	Ver.	Action By	Action	Result
10/25/2018	1	City Council	approved	

REPORT TO THE CITY COUNCIL

October 25, 2018

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

BY: KEN PHILLIPS, Labor Relations Manager
Personnel Services Department

SUBJECT

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")

RECOMMENDATION

It is recommended that Council approve the attached Side Letters of Agreement with the bargaining units identified in the subject above, modifying MOU provisions on leave integration for individuals

eligible to receive State Disability Insurance (“SDI”) and Paid Family Leave (“PFL”) to conform with changes to the formula for calculating compensation benefit amount resulting from the implementation of Assembly Bill (“AB”) 908, and use of appropriate leave banks for PFL.

EXECUTIVE SUMMARY

California’s disability law establishes a formula for determining wage replacement benefits available to eligible individuals with a disability under SDI, and for individuals who are eligible to receive temporary family disability insurance benefits under PFL. Calculation of benefits changed effective January 1, 2018 with the enactment of AB 908. The change in benefit calculations created a need to change the integration process negotiated with bargaining units in regard to SDI and PFL benefits.

BACKGROUND

SDI/PFL allows employees to use Sick Leave (or integrate Sick Leave with the SDI or PFL benefit) as long as the use of Sick Leave does not result in an employee’s pay being greater than 100% of an employee’s base wage when combined with SDI/PFL benefits. Under the previous integration formula which the City negotiated with Local 39, FCEA, ATU and IBEW, employees would integrate 13 hours of Sick Leave with SDI/PFL benefits. This amount of leave time brought employees close to, but not over 100% of their base wage. Due to AB 908 it is necessary to adopt a new formula as 13 hours of leave may not always be appropriate and could result in an employee receiving less or more than 100% of wage replacement. Consequently, the City proposed and the respective bargaining units agreed to the Side Letter Agreements to ensure that Sick Leave integration is administered in such a way that employees receive the proper benefit.

The attached Side Letters of Agreement provide for a specified time period to request integration, absent extenuating circumstances, and provides for use of other leave banks rather than sole reliance on Sick Leave.

The City has concluded its meet and confer obligation and the affected bargaining units have concurred with the proposed Side Letters 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

Approval of the Side Letters of Agreement will not result in any additional salary or benefit expenses.

Attachments: Side Letter of Agreement - Local 39
 Side Letter of Agreement - FCEA
 Side Letter of Agreement - ATU
 Side Letter of Agreement - IBEW