



City of San Leandro

Meeting Date: October 16, 2017

Staff Report

File Number: 17-581 **Agenda Section:** CONSENT CALENDAR

Agenda Number: 8.K.

TO: City Council

FROM: Chris Zapata
City Manager

BY: Jeff Kay
Assistant City Manager

FINANCE REVIEW: David Baum
Finance Director

TITLE: Staff Report for a Resolution Approving a Side Letter to Amend the Memorandum of Understanding between the City of San Leandro and the San Leandro City Employees' Association (SLCEA), Local 21 IFPTE

SUMMARY AND RECOMMENDATIONS

Staff recommends that the City Council adopt a resolution approving a Side Letter agreement to amend the Memorandum of Understanding between the City of San Leandro and the San Leandro City Employees' Association (SLCEA), Local 21 IFPTE.

BACKGROUND

In February 2016, the City Council approved a Memorandum of Understanding (MOU) between the City of San Leandro and the San Leandro City Employees' Association (SLCEA) for the period January 1, 2016 through December 31, 2020. The terms included an agreement to reopen negotiations should either San Leandro Management Organization (SLMO) or San Leandro Police Officers' Association (SLPOA) receive an overall compensation settlement substantively in excess of that provided to SLCEA (Section 42.14).

After approval of the SLPOA MOU in December 2016, SLCEA requested a meeting to reopen negotiations. SLCEA proposed modifications to the MOU based on the terms approved in the SLPOA MOU. The City and SLCEA met and conferred several times to discuss the proposed modifications, and reached a tentative agreement to amend certain contract provisions.

Analysis

Following is a summary of the proposed modifications to the SLCEA MOU to be included in the Side Letter.

Provision	Proposed Modification
Vacation Cash Out	Effective upon ratification, the number of hours of vacation that employees can cash out will increase from 100 to 120 hours per year.
Health Contribution	The MOU language shall be updated to reflect the current practice where the City and employees split only the increase, not the decrease, in the medical and dental premiums.
Bilingual Pay	Effective upon ratification, the rate for employees certified as bilingual will increase from \$125 to \$185 per month. This will affect 24 employees currently certified.
Holiday Pay	<p>Effective January 1, 2018, in lieu of observing the set holiday schedule, Water Pollution Control Plant Operators will receive holiday-in-lieu pay equal to 6.5% of the employee's base salary. This will affect 11 employees who are scheduled without regard to holidays due to continuous 24/7 operations.</p> <p>Effective January 1, 2018, the practice of retaining holiday time (R-time) will cease for non-sworn employees in the Police department. This change in practice is required to comply with CalPERS regulations, which require that holiday pay be reported in the pay period earned.</p>

Previous Actions

On February 16, 2016, by Resolution No. 2016-015, the City Council approved the SLCEA MOU for the period January 1, 2016 through December 31, 2020.

Fiscal Impacts

There will be a minimal fiscal impact associated with the proposed Side Letter agreement. Increasing the Vacation Cash Out maximum reduces overall liability. The Health Contribution language is a current City practice, which is already reflected in the current budget. The proposed increase in Bilingual Pay will result in an increased cost of approximately \$55,000 for the remainder of the contract. The holiday-in-lieu pay for Water Pollution Control Plant operators reflects a change in practice in how holidays are paid to employees who work 24/7 operations, and will result in a budget impact of approximately \$169,000 for the remaining three years of the contract, which will be funded from the Water Pollution Control Plant fund reserves. There is no fiscal impact to the holiday practice change for non-sworn employees.

Attachment to the Resolution

- Side Letter agreement between the City and SLCEA

PREPARED BY: Emily Hung, Human Resources Manager, City Manager's Office



City of San Leandro

Meeting Date: October 16, 2017

Resolution - Council

File Number: 17-582 **Agenda Section:** CONSENT CALENDAR

Agenda Number:

TO: City Council

FROM: Chris Zapata
City Manager

BY: Jeff Kay
Assistant City Manager

FINANCE REVIEW: David Baum
Finance Director

TITLE: RESOLUTION Approving a Side Letter Agreement to Amend the Memorandum of Understanding between the City of San Leandro and the San Leandro City Employees' Association (SLCEA), Local 21 IFPTE

WHEREAS, on February 16, 2016, the City Council approved the Memorandum of Understanding between the City and the San Leandro City Employees' Association (SLCEA), Local 21 IFPTE for the period January 1, 2016 through December 31, 2020; and

WHEREAS, SLCEA requested to reopen negotiations per Section 42.14 of the SLCEA Memorandum of Understanding; and

WHEREAS, City and SLCEA have reached a tentative Side Letter agreement to amend provisions in the Memorandum of Understanding pertaining to Vacation Cash Out, Health Contribution, Bilingual Pay, and Holiday Pay, and

WHEREAS, the City Manager recommends approval of said Side Letter agreement.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

1. That said Side Letter agreement substantially in the form presented is hereby approved and execution by the City Manager is hereby authorized; and
2. That the City Manager is authorized to make non-substantial revisions to said agreement, subject to the approval of the City Attorney; and
3. That an original executed agreement shall be attached to and made a part of this resolution.

**Side Letter of Agreement
Between the City of San Leandro and the
San Leandro City Employees' Association (SLCEA)**

This Side Letter of Agreement is made between the City of San Leandro and the San Leandro City Employees' Association (SLCEA) to amend certain provisions in the current Memorandum of Understanding for the period January 1, 2016 through December 31, 2020.

The City and the SLCEA agree to make the following modifications to the MOU:

Section 7.2. Annual Vacation Leave

Employees shall be allowed to sell up to 120 hours of vacation per year.

Section 29.1. Employee Benefits

In January 2017, 2018, 2019, and 2020, employees and City will each pay 50% of the increase in medical and dental premiums based on Kaiser and the Basic dental plan (i.e., 2017 premiums minus 2016 premiums, divided by 2 etc.)

Section 42.4. Bilingual Pay

Effective January 1, 2017, employees certified by the City as bilingual will receive one hundred twenty-five (\$125) dollars per month bilingual pay when they are required to use a second language. Effective the month following ratification by SLCEA and the City Council, the bilingual pay will increase to one hundred eighty-five (\$185) dollars per month. Bilingual skills shall be necessary to the operation of the City, as determined by the department head, and confirmed by an appropriate certification process established by the City. Bilingual pay shall apply to the following languages: Spanish, Chinese, American Sign Language and other languages as determined by the Human Resources division.

Section 14. Holidays

All full-time regular employees, except as hereinafter provided, shall be entitled to the following holidays provided that if such employee fails to report for scheduled work on any of such holidays, he/she shall receive no pay: New Year's Day; third Monday in January (Martin Luther King's Birthday); second Monday in February (Lincoln's Birthday); third Monday in February (Washington's Birthday); last Monday in May (Memorial Day); Independence Day; Labor Day; November 11 (Veterans' Day); Thanksgiving Day; the day after Thanksgiving; one-half (½) day on the day before Christmas and one-half (½) day on the day before New Year's Day; Christmas; and every day proclaimed a City holiday by the Mayor. Holidays will be credited at eight (8) hours for one (1) holiday, which equates to 96 hours per year. Except for continuous 24/7 operations, when a day herein listed falls on an employee's regular day off, he/she shall be entitled to a day off in lieu thereof within the calendar year or compensatory time at the rate of one (1) times his/her regular hourly rate. The day selected shall be subject to approval of the department head. When such day herein listed falls on a Sunday or

Saturday, such day off in lieu thereof shall be the Monday following or Friday preceding respectively, except as hereinafter provided and except if Christmas Day or New Year's Day falls on a Sunday or Monday the one-half (1/2) day provision will be applicable the preceding work day. Continuous 24/7 operations will observe the actual holiday for compensation purposes.

Each employee represented by the Union shall be entitled to two (2) floating holiday which shall be scheduled at a time mutually convenient to the employee and the department head. The floating holiday must be taken during each calendar year and may not be carried over to another calendar year or converted to pay. Such holiday shall be granted to employees hired on or before September 1 of each calendar year.

To the extent that operating conditions allow, employees are to be given the day off on the date of the holiday. The following continuous 24/7 operations require established organized shifts to be regularly staffed without regard to holidays.

The below provisions shall be effective as to any employee transferred to a position designated as required to be staffed without regard to holidays, and shall cease to be effective as to any employee transferred from such a position, as of the date of transfer. When employment of a person occupying a such a position is terminated, his/her entitlement for the holiday leave shall be prorated on the ratio of time served to the entire calendar year. Final compensation shall be adjusted on the basis of days taken in lieu of holidays as against the entitlement as so calculated.

Water Pollution Control Plant Operators

Effective January 1, 2018 and continuing thereafter, any Operator-in-Training/Plant Operator I/II, Plant Operator-Lead shall receive a 6.5% holiday pay premium in lieu of holiday overtime pay and accruing holiday time. In the event that an employee calls in sick on a holiday where he/she is scheduled to work, the holiday in lieu pay shall be suspended for the next three (3) pay periods. Suspension of the holiday-in-lieu pay can be waived upon the discretion of the Water Pollution Control Plant Manager. Holiday-in-lieu pay shall be paid in equal amounts in each pay period.

Police Civilian Employees

Any Public Safety Dispatch Supervisor, Senior Public Safety Dispatcher, Public Safety Dispatcher, Senior Police Service Technician, Police Service Technician, Police Services Aide and Administrative Specialist-Police in the Police Department assigned to the patrol, records or traffic division and who is subject to a rotational schedule may receive for any eight (8) hours holiday worked, one and one-half times (1 1/2) the straight time rate of pay or compensatory time off at the one and one-half time (1 1/2) rate. Effective January 1, 2018 the practice of retaining holiday time (R-time) will cease in order comply with CalPERS regulations which requires that holiday pay be reported in the pay period earned. In the event the employee elects compensatory time off the accrued time shall be placed in the employee's compensatory time off balance, not to exceed eighty (80) hours. The term "compensatory time" refers to that time earned and accrued by working any overtime or holiday.

When a day herein listed as a holiday falls on a regular day off the employee shall be entitled to a day off in lieu thereof at a later date within the calendar year or compensatory time at the rate of one (1) times his/her regular hourly rate. Such day off in lieu thereof is subject to approval of the department head as to the day selected. In no event shall an employee be entitled to days off as holidays; days off in lieu thereof; holiday pay, or any combination thereof which exceeds the total number of hours set forth as holidays in this rule.

For Public Safety Dispatch Supervisor, Senior Public Safety Dispatcher, Public Safety Dispatcher, Senior Police Service Technician, Police Service Technician, Police Services Aide or Administrative Specialist-Police employees, compensatory time may be used, and replaced, without regard to frequency of use, as long as the account balance does not exceed eighty (80) hours. Once an employee's compensatory time off balance exceeds eighty (80) hours, the employee shall be compensated in pay.

A Public Safety Dispatch Supervisor, Senior Public Safety Dispatcher, Public Safety Dispatcher, Senior Police Service Technician, Police Service Technician, Police Services Aide or Administrative Specialist-Police employee may schedule accrued compensatory time and the Department will schedule a relief employee as available. If not available, the Department will post the vacancy for a volunteer employee to sign for, on an overtime basis. The volunteer employee will only be compensated in pay for the overtime worked at the overtime rate of one and one-half times (1½) the hourly rate based on the employee's monthly salary. This process shall be consistent with the San Leandro Police Department sign-up procedures.

For Public Safety Dispatch Supervisor, Senior Public Safety Dispatcher, Public Safety Dispatcher, Senior Police Service Technician, Police Service Technician, Police Services Aide, Administrative Specialist-Police, Property Clerks, and Property and Evidence Technicians employees have the same holiday schedule as the Police Officers Association.

The foregoing holiday provisions do not apply to hourly or part-time employees.

14.1 Holiday Closure

The City will notify the Union by September 1st each year if a holiday closure will occur and which City functions and employees will be affected.

FOR THE CITY OF SAN LEANDRO

FOR THE SAN LEANDRO CITY
EMPLOYEES' ASSOCIATION

Date

Date

Chris Zapata, City Manager

Patrick Grajeda, President

Chris Heidl, Vice President

Matt Mason, Representative, Local 21