

CITY COUNCIL

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APPROVED

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DENIED

Reso No. _____

File No. _____

Ord No. _____

Agenda Item No.: 11

Date: October 3, 2012

TO: Honorable Mayor and Members of the City Council

FROM: Sheryl Bennett, Director of Human Resources

SUBJECT: Memorandum of Understanding between the City of Escondido and the Escondido City Employees' Association – Administrative, Clerical and Engineering Bargaining Unit

RECOMMENDATION:

City Council adopt Resolution No. 2012-168, approving a successor Memorandum of Understanding between the City of Escondido and the Escondido City Employees' Association – Administrative, Clerical and Engineering Bargaining Unit for a two-year term commencing July 1, 2012 through June 30, 2014.

FISCAL ANALYSIS:

Cost to the General Fund for Fiscal Year 2012-13 and Fiscal Year 2013-14 is \$752,758. Funds for this expense have been set aside in the General Fund Operating Budget.

PREVIOUS ACTION:

The City Council implemented Terms and Conditions of Employment with the ECEA/ACE Bargaining Unit on August 10, 2011.

BACKGROUND:

City staff has met with the Escondido City Employee's Association – Administrative, Clerical and Engineering Unit, regarding terms and conditions of employment that expired on June 30, 2012. The attached resolution outlines changes to working conditions and compensation that have been agreed to during the negotiation process.

Tentative agreement on issues before the negotiating group was reached on September 20, 2012. Members of the Bargaining Unit have voted in support of the agreement.

Respectfully submitted,


Sheryl Bennett
Director of Human Resources

RESOLUTION NO. 2012-168

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
APPROVING A SUCCESSOR MEMORANDUM
OF UNDERSTANDING WITH THE ESCONDIDO
CITY EMPLOYEES' ASSOCIATION,
ADMINISTRATIVE, CLERICAL AND
ENGINEERING BARGAINING UNIT

JULY 1, 2012 – JUNE 30, 2014

WHEREAS, negotiating teams from the City of Escondido and the Escondido City Employees' Association Administrative, Clerical and Engineering Bargaining Unit have been duly appointed and have been conducting meet-and-confer sessions with respect to matters affecting both parties; and

WHEREAS, a successor Memorandum of Understanding ("MOU") by the City of Escondido ("City") and the Escondido City Employees' Association Administrative, Clerical and Engineering Bargaining Unit ("Association") is necessary as a result of meeting and conferring in good faith concerning wages, hours, and other terms and conditions of employment; and

WHEREAS, it is the intent of the MOU to provide for continuation of the harmonious relationship between the City and the Association; and

WHEREAS, this City Council desires at this time and deems it to be in the best public interest to approve a successor MOU and certain other modifications.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. The City's negotiating team is authorized to execute, on behalf of the City,

A successor MOU with a term from July 1, 2012, through June 30, 2014, and also including terms as set forth in Exhibit "A," attached to this resolution and incorporated by this reference.

**City of Escondido
Escondido City Employees' Association
Administrative, Clerical and Engineering Bargaining Unit
Successor Memorandum of Understanding
July 1, 2012– June 30, 2014**

1. **Article III - Term:** July 1, 2012 - June 30, 2014. None of the terms are retroactive; all changes take effect on the agreed upon effective date after adoption by the City Council.

2. **Article IV – Salary, Wages:**

For any employee who missed one or more steps due to the suspension of step increases which went into effect on January 25, 2009, the City will restore step increases as follows:

Effective pay period ending October 13, 2012, one five percent (5%) salary step will be implemented for eligible employees who currently have frozen salary steps.

Effective pay period closest to July 1, 2013, two five percent (5%) salary steps will be implemented for eligible employees who currently have frozen salary steps.

Effective pay period closest to January 1, 2014, any remaining salary steps will be implemented for eligible employees who currently have frozen salary steps.

Effective January 1, 2014, Merit Step salary increases based on time in grade as detailed in Rule 5, Section 2, in the Personnel Rules and Regulations will be reinstated.

The unfreezing of frozen salary steps will not affect the employees' anniversary or service dates.

3. **Article IV – Salary, Salary Range Increase:**

Effective pay period closest to January 1, 2013, the salary range for all represented classifications shall be increased by one percent (1%).

4. **Article IV – Salary, Furlough Program:**

The Furlough Program for City Hall and the Self-Directed Furlough Program (SDFP) will be discontinued by January 31, 2013. All employees in City Hall will return to a 9/80 work schedule. City Hall will be open every Friday and staffing on Fridays will be split among employee groups to provide a sufficient level of service to the public. Departments will be evaluating the level of coverage based on their specific customer needs.

Concurrent with the opening of City Hall and elimination of the Furlough Program, the equivalent pay reduction will be restored for all City Hall employees (5.0% salary restoration) and SDFP employees (4.96% salary restoration).

5. **Article IV – Salary, Furlough Days in Lieu of Constituted Holidays:**

Effective pay period closest to January 1, 2013, restore two of the four holidays observed as "furlough days in lieu of holidays." New Year's Day and Martin Luther King Day will be reinstated

as constituted holidays. The equivalent pay reduction will be restored to employees (0.84% salary restoration).

Effective pay period closest to July 1, 2013, restore the remaining two holidays observed as "furlough days in lieu of holidays." President's Day and Memorial Day will be reinstated as constituted holidays. The equivalent pay reduction will be restored to employees (0.84% salary restoration).

6. Article IV – Salary, Wages, Classification Progressions:

Effective pay period closest to July 1, 2013, all frozen class progressions will be unsuspended/reinstated.

7. Article X – Certification and Education Incentive Pay:

Effective pay period closest to July 1, 2013, all frozen certification and education incentive pay will be unsuspended/reinstated.

8. Article XVIII – Health Insurance, Section B, Insurance Premium:

Beginning January 1, 2013 and thereafter, any medical and/or dental insurance premium increases will be shared equally by the City and the employee for the lowest cost HMO medical plan and for the dental plans. Employees choosing more expensive medical plans are required to pay the increased cost between that plan and the lowest cost plan. The employee's share of any medical and dental insurance premium increases will be added to the employee's 2012 insurance contribution.

9. Article XLV – MOU Reopener:

At such time as regulations are issued implementing the Affordable Care Act (ACA), the City and ECEA will meet and confer to review the impact of such regulations on the benefits plans then in force. If modifications to the benefits, eligibility for coverage, employer or employee contribution to the cost of insurance or any other provisions of the benefit plans covered by this MOU will be modified by the ACA during the term of this agreement, it is agreed that the City and ECEA will reopen the contract to meet and confer and determine how such mandated changes will be implemented.

10. MOU Language Clean-Up:

Remove out-of-date language in Article IV regarding a one-time "dump" of furlough hours into employee furlough leave banks, as furlough hours are now calculated on a per pay period basis.

Delete Property and Evidence Technician II from Exhibit "C" - Shoe Allowance (classification inactivated).

Add to Article X the five percent (5%) Certification Pay for QSP/QSD certification as required by the State Water Resources Control Board. This is a current practice from October 2011. There is a five percent (5%) certification pay maximum per employee (as Engineers are also eligible for CA Civil Engineer Registration Pay).

11. Remaining Provisions:

The City will use the "Terms and Conditions of Employment" dated August 10, 2011, as the foundation for language to create a successor MOU.

No change to remaining provisions, terms, dates, and formulas within the Terms and Conditions of Employment dated August 10, 2011. The following cost concessions will remain in place until terminated:

Frozen Tuition Reimbursement
Frozen 401(k) Contributions by the City.