

CITY OF HESPERIA

STAFF REPORT



DATE: March 6, 2018

TO: Mayor and Council Members
Chair and Board Members, Hesperia Water District

FROM: Nils Bentsen, City Manager

BY: Michael Blay, Assistant City Manager

SUBJECT: Memorandum of Understanding between the City of Hesperia and the Teamsters Local 1932 for the Period of February 1, 2018 through January 31, 2020

RECOMMENDED ACTION

It is recommended that the City Council adopt Resolution No. 2018-013 and the Board of Directors of the Hesperia Water District adopt Resolution HWD 2018-05, approving the Memorandum of Understanding with the Teamsters Local 1932 (Teamsters Union).

BACKGROUND

The current Memorandum of Understanding (MOU) between the City of Hesperia and the Teamsters Union is effective from January 1, 2017 through January 31, 2018 and shall remain in effect until a successor MOU is renegotiated or until such time that other provisions are concluded.

On January 9, 2018 the City and the Teamsters Union began the meet and confer process in order to negotiate a successor MOU. During February 2018, the City and the Teamsters Union reached a tentative agreement on a successor MOU to cover a two (2) year period beginning February 1, 2018 through January 31, 2020.

ISSUES/ANALYSIS

The changes to the Memorandum of Understanding agreed to by the City and the Teamsters Union are summarized as follows:

Article 4: Duration, Implementation and Re-openers

The term of the Teamsters Union MOU shall be for the duration of February 01, 2018 through January 31, 2020.

Article 13: Salary Ranges

For the first full pay period of Fiscal Year 2018-19, all salary ranges will reflect an increase to the base salary, which is the Cost of Living Adjustment (COLA) based on the Consumer Price Index (CPI) – All Urban Consumers (Area: Los Angeles-Riverside-Orange County now called Los Angeles-Long Beach-Anaheim) measured by the annualized CPI from February 2017 to February 2018 of no less than 2.5% and no more than 5%.

For the first full pay period of Fiscal Year 2019-20, all salary ranges will reflect an increase to the base salary, which is the Cost of Living Adjustment (COLA) based on the Consumer Price Index

(CPI) – All Urban Consumers (Area: Ontario-Riverside-San Bernardino) measured by the annualized CPI from February 2018 to February 2019 of no less than 2.5% and no more than 5%.

Article 14: Overtime

Beginning March 17, 2018 the following will also be included in paid leave of absence:

- Pre-approved (minimum 1 week notice) sick leave
- Pre-approved (minimum 1 week notice) vacation leave

Beginning March 17, 2018 no employee shall accrue more than eighty (80) hours of compensatory time. Should any employee exceed eighty (80) hours of accrued compensatory time he/she shall be paid at time and one-half his/her regular rate for all hours in excess of eighty (80) hours.

Article 17: Bilingual Pay

Beginning July 1, 2018 employees who pass the test and are assigned to provide bilingual translation services will receive \$100 per month as compensation.

Article 18: Tuition Reimbursement/Certification

Beginning Fiscal Year 2018-19, the City shall provide all Teamsters Union represented employees a maximum of \$2,500 reimbursement per fiscal year per employee under the existing Tuition Reimbursement Policy.

Beginning Fiscal Year 2019-20, the City shall provide all Teamsters Union represented employees a maximum of \$3,000 reimbursement per fiscal year per employee under the existing Tuition Reimbursement Policy.

Article 20: Health Insurance

Effective July 1, 2018 for the August 2018 insurance premiums, the City shall pay up to \$1,013 per month, the employee shall be responsible for paying the difference, or the amount greater than \$1,013, through payroll deduction.

Effective July 1, 2019 for the August 2019 insurance premiums, the City shall pay up to \$1,113 per month, the employee shall be responsible for paying the difference, or the amount greater than \$1,113, through payroll deduction.

Article 21: Dental Insurance

Effective July 1, 2018 for the August 2018 premiums, the City shall pay the employee only coverage of the selected Dental plan.

Article 22: Optical Insurance

Effective July 1, 2018 for the August 2018 premiums, the City shall pay the employee only coverage of the Vision plan.

Article 28: Holidays

Beginning July 1, 2018 Columbus Day (2nd Monday of October) will be observed as a holiday. For employees to be compensated for a day off prior to or following a Holiday, the employee must request and have approved the time off prior to the Holiday. Otherwise, written certification from a physician will be required. Absence without prior approval or medical certification will be unpaid.

Other Changes

Employees now must have forty (40) hours of sick leave accrued and remaining, following the use of up to eighteen (18) hours of sick leave as personal time.

Bereavement Leave for the death of an immediate family member is increased from three (3) days to five (5) days.

Effective March 17, 2018 qualified Teamsters members who apply for existing vacancies shall be provided an opportunity to participate in the competitive selection process.

Other minor cleanup language to the MOU as agreed upon during the labor negotiations.

FISCAL IMPACT

The total projected cost of implementing the Teamsters Union MOU for year 1 is \$225,000, which assumes an anticipated 3% CPI for the COLA. Year 2 is projected to cost an additional \$201,800, which too assumes that CPI will be 3%. The following table details the projected source of funding.

Teamsters Local 1932 Summary	Projected Year 1 Cost	Projected Year 2 Cost
General Fund	\$ 45,000	\$ 40,360
Streets Maintenance	45,000	40,360
Economic Development	0	0
Total Water & Sewer	135,000	121,080
Total City Cost	\$225,000	\$201,800

If approved, the FY 2018-19 Proposed Budget, which will be presented to the City Council during June 2018, will reflect increases to salaries and benefits.

ALTERNATIVE(S)

Provide alternative direction to staff.

ATTACHMENT(S)

1. Memorandum of Understanding
2. Resolution No. 2018-013
3. Resolution No. HWD 2018-05