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4.1B

OFFICE OF
LABOR RELATIONS

**CITY OF SACRAMENTO
CALIFORNIA**

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October 23, 2000

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City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: Tentative Agreement in the Traffic Engineering Unit

LOCATION AND COUNCIL DISTRICT:

City-wide

RECOMMENDATION:

It is recommended that the City Council approve the attached agreement covering employees in the Traffic Engineering Unit.

CONTACT PERSON:

Dee Contreras, Director of Labor Relations, 264-5424
Edward J. Takach, Labor Relations Officer, 264-5424

FOR COUNCIL MEETING OF:

October 31, 2000 (afternoon)

SUMMARY:

This report recommends that the City Council approve the tentative settlement reached between the City of Sacramento and the Auto, Marine & Specialty Painters, Local 1176 on a new five-year agreement covering employees in the Traffic Engineering Unit for the period November 4, 2000 to June 30, 2005. The tentative agreement has been ratified by the Union membership. The major features of the tentative agreement are:

1. Economic Improvements

a. First Year: Fiscal Year 2000-01

- 1) Effective July 1, 2000, salaries will increase by 3%.
- 2) Effective December 30, 2000, equity adjustments will be implemented affecting two classifications and five employees.
- 3) Effective January 1, 2001, the City's monthly health and welfare contribution will increase to \$585 for employees hired prior to June 24, 1995 with two or more insured dependents. For employees hired on or after June 24, 1995, the contribution will increase to \$485 for employees with one insured dependent and to \$585 for employees with two or more insured dependents.
- 4) Effective November 4, 2000, stand-by pay will increase by \$2 per day, to \$140 per week.
- 5) Effective November 4, 2000, the City will contribute 3% of the employee's contribution to the Public Employees' Retirement System (PERS) and, in lieu of such contribution for members of the Sacramento City Employees' Retirement System, increase by \$25 to \$100 monthly as an add-on to the City's health and welfare contribution.
- 6) Effective November 4, 2000, increase reimbursement for safety shoes by \$25, from \$100 to \$125. Special order safety shoes will be reimbursed up to \$175. Employees will also be authorized to purchase or replace up to two pair of safety shoes at the same time.
- 7) Effective November 4, 2000, the current four-week parental leave benefit which is now available after 60 months of City employment will be available after completion of 36 months.
- 8) Effective November 4, 2000, safety-colored jackets shall be provided for employees in the unit who regularly work in streets.

- 9) Effective November 4, 2000, the minimum age for eligibility to the City health insurance contribution will change to age 50.
- 10) Effective July 1, 2000, the City subsidy of the RT pass increased from 60% to 80% for full-time career employees and to 50% for part-time employees. The same subsidy shall apply to alternate public transportation up to a maximum of \$100 per month.

b. Second Year: Fiscal Year 2001-02

- 1) Effective June 30, 2001, salaries will increase based on the percentage change in the Consumer Price Index, but not less than 2% nor more than 4%.
- 2) Effective June 30, 2001, stand-by pay will increase by \$1 per day, to \$147 per week.
- 3) Effective June 30, 2001, the PERS miscellaneous retirement plan will be amended to the 2% at age 55 formula with the 50% Industrial Disability Retirement; a 2% COLA; 1 year final compensation; and military service credit.
- 4) Effective June 30, 2001, Step 1 of the salary range shall be eliminated and employees thereon will advance to Step 2.

c. Third Year: Fiscal Year 2002-03

- 1) Effective June 29, 2002, salaries will increase based on the percentage change in the Consumer Price Index, but not less than 2% nor more than 4%.
- 2) Effective June 29, 2002, stand-by pay will increase by \$1 per day to \$154 per week.
- 3) Effective January 1, 2003, the City's monthly health and welfare contribution will increase to \$300 for employees hired on or after June 24, 1995 with no dependents; to \$500 for all employees with one insured dependent; and to \$600 for all employees with two or more insured dependents.
- 4) Effective June 29, 2002, Step 2 of the salary range shall be eliminated and employees thereon will advance to Step 3.

d. Fourth Year: Fiscal Year 2003-04

- 1) Effective June 28, 2003, salaries will increase based on the percentage change in the Consumer Price Index, but not less than 2% nor more than 5%.
- 2) Effective July 1, 2003, employees with 10 years of City service, but less than 15 years, will receive three days of personal time off per year.
- 3) Effective June 28, 2003, stand-by pay will increase by \$2 per day, to \$168 per week.

e. Fifth Year: Fiscal Year 2004-05

- 1) Effective June 26, 2004, salaries will increase based on the percentage change in the Consumer Price Index, but not less than 2% nor more than 5%.
- 2) Effective June 26, 2004, stand-by pay will increase by \$1 per day, to \$175 per week.
- 3) Effective June 26, 2004, increase reimbursement for safety shoes by \$25, to \$150. Special order safety shoes will increase by \$25 to \$200.

2. Concessions

The concessions were agreed to as follows:

- a. At the point when the PERS retirement City's employer contribution rate exceeds the current normal contribution rate of 4.930%, the increased employer contribution shall be offset by a reduction from the City-paid employee contribution paid on behalf of the employees.
- b. Effective November 4, 2000, payroll changes will be effective on the first day of the pay period which begins after the employee becomes eligible for said increase.

3. Other Major Features

- a. Non-Career Employee Trial Period
The trial period for non-career employees will, under this provision, increase from 30 days to 6 months from date of hire.
- b. Voluntary Work Furlough Program
This authorizes the current work furlough program for the term of the tentative agreement versus requiring the current practice of an annual re-authorization.
- c. Retiree Health and SCERS Issues
These issues are reserved for joint discussions with all recognized employee organizations regarding a ballot initiative to address SCERS retirement plan and other retirement issues.

COMMITTEE/COMMISSION ACTION:

Not applicable

BACKGROUND INFORMATION:

All ten collective bargaining agreements between the City of Sacramento and the eight recognized employee organizations expired on June 30, 2000. The provisions of the expired agreements were extended in practice since the date of expiration. The City commenced negotiations with most recognized employee organizations, including the Auto, Marine & Specialty Painters, Local 1176, in February 2000.

The tentative agreement with the Auto, Marine and Specialty Painters, Local 1176 in the 22 member unit is consistent with the labor settlement strategy adopted by the City Council earlier this year. The tentative agreement with Auto, Marine and Specialty Painters, Local 1176, is a fair, reasonable, and appropriate settlement reflective of the changing needs and priorities of the City of Sacramento and its employees.

FINANCIAL CONSIDERATIONS:

The compounded cost increase for the five-year period will range, due to the CPI salary formula, from a minimum \$500,000 to a maximum \$750,000. The costs have been included in the current budget for fiscal year 2001 and have been projected in the budget for the following years.

POLICY CONSIDERATIONS:

Approval of the attached agreement by the Sacramento City Council fulfills the City's legal obligations under the Meyers-Milias-Brown Act, adheres to the City's positive labor-management relations program, and guarantees labor stability to the year 2005.

ESBD CONSIDERATIONS:

Not applicable

Respectfully Submitted,



DEE CONTRERAS
Director of Labor Relations

Recommendation Approved:



ROBERT P. THOMAS
City Manager

Attachments

APPROVED
OCT 31 2000
OFFICE OF THE
CITY CLERK

RESOLUTION NO. 2000-674

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

A RESOLUTION ADOPTING AGREEMENT WITH
AUTO, MARINE AND SPECIALTY PAINTERS, LOCAL 1176
DATED OCTOBER 31, 2000

WHEREAS, this Council pursuant to California Government Code Section 3500, et. seq., enacted by resolution on employer-employee relations policy; and,

WHEREAS, under the terms of that policy, the representatives of the City Manager have met and conferred with representatives of the Auto, Marine and Specialty Painters, Local 1176, the recognized employee organization for employees in the Traffic Engineering Unit as designated in said policy; and,

WHEREAS, these parties have reached agreement on matters relating to the employment conditions of the employees in said unit, as reflected by the written Agreement entered into by them on October 24, 2000; and,

WHEREAS, this Council finds that the provisions and agreements contained in this Agreement are fair and proper and in the best interests of the City of Sacramento;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO, that it adopt in full the terms and conditions contained in the said Agreement.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____