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DATE: April 27, 2015

TO: Honorable Mayor and City Council

FROM: **Human Resources Department**

RE: APPROVAL OF A SIDE LETTER AGREEMENT WITH THE

INTERNATIONAL UNION OF OPERATING ENGINEERS (IUOE)

REGARDING OVERTIME MEALS

RECOMMENDATION:

It is recommended that the City Council approve a side letter of agreement with IUOE to modify the MOU section on overtime meals.

BACKGROUND:

The City and IOUE have a Memoranda of Understanding (MOU) for the period of July 1. 2014 through June 30, 2017. During the meet and confer process for the current MOU, the City proposed to modify the overtime meals provision of the collective bargaining agreement. At the time, IUOE preferred to retain the existing overtime meal process. The City's proposal would result in the payment of overtime meals through the payroll process as a taxable benefit. The current method is paid through the petty cash process using receipts. The current process is labor intensive and cumbersome for both city staff and IUOE members. Using the payroll process, employees who are eligible to receive an overtime meal will record the meal on their timesheet which is processed with supervisor approval. The meal allowance will increase from \$15.00 to \$16.00 for eligible overtime meals. This will result in more timely payment, documentation of payment, and greater efficiency in processing.

The parties have met and conferred on this matter and IOUE has ratified the side letter of agreement which is attached.

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COUNCIL POLICY CONSIDERATION:

The adoption of the side letter supports the City Council's strategic goal of maintaining fiscal responsibility and stability.

FISCAL IMPACT:

The recommended side letter will result in nominal additional costs estimated to be less than \$2,000 per fiscal year which will be absorbed in the departments operating budget.

Respectfully Submitted,

Kristi Recchia

Director of Human Resources

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Approved by:

Michael J. Beck City Manager

Attachments:

1. City of Pasadena & IUOE Side Letter