

Agenda Report

July 15, 2019

TO: Honorable Mayor and City Council

FROM: Human Resources Department

SUBJECT: APPROVAL OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF PASADENA AND THE LABORER'S INTERNATIONAL UNION OF NORTH AMERICA, LOCAL 777, FOR THE TERM OF JULY 1, 2019 - JUNE 30, 2022

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the action proposed herein is not a "project" as defined in the California Environmental Quality Act (CEQA), Public Resources Code Section 21065 and Section 15378(b)(2) of the State CEQA Guidelines and, as such, is not subject to environmental review.
2. Approve a Memorandum of Understanding (MOU) between the City of Pasadena (City) and the Laborer's International Union of North America (LIUNA), Local 777 for the term of July 1, 2019 through June 30, 2022.

BACKGROUND:

The Laborer's International Union of North America (LIUNA), Local 777 represents three hundred fifteen full-time positions throughout all City departments. The existing three-year Memorandum of Understanding (MOU) between the City and LIUNA expired on June 30, 2019. Negotiations for a successor MOU began in May 2019, and the parties reached tentative agreement on June 6, 2019. On June 13, 2019, LIUNA's membership overwhelmingly approved the tentative agreement.

The proposed contract provides for cumulative base pay increases of 6.5% over the three-year term of the contract coupled with an additional 1% employee-paid pension contribution, bringing the total employee contribution to 9% for Classic PERS members. Lastly, the contract provides other modest economic enhancements. These salary

increases ensure that compensation for this bargaining unit remains competitive in the labor market throughout the term of the contract.

The following is an overview of the key contract provisions:

1. Term: July 1, 2019 – June 30, 2022
2. Salary Increases:
 - a. Effective July 8, 2019: 2.25%
 - b. Effective the first full pay period in July 2020: 2.0%
 - c. Effective the first full pay period in July 2021: 2.25%
3. One-time Lump Sum Payment: Effective upon Council adoption of the 2019-2022 LIUNA MOU, all bargaining unit members will receive a one-time lump sum payment of \$600.
4. Employee-Paid PERS Cost-Share:
 - a. Effective July 8, 2019: 0.10%
 - b. Effective the first full pay period in July 2020: 0.40%
 - c. Effective the first full pay period in July 2021: 0.50%

This 1% cost share is in addition to the current 8% contribution Classic PERS members currently make.

5. Bilingual Pay: Increase by \$15.00 per month, from \$75.00 to \$90.00.
6. Overtime Meals: Increase by \$2.00, from \$15.00 to \$17.00.
7. Shift Differential: Standardize eligible hours throughout bargaining unit; increase pay for library employees from \$1.10 to \$1.50 per hour to match the amount provided to other employees in the unit.
8. Workers' Compensation Salary Continuation: Change the maximum duration to 9 months from 12 months and keep amount provided at 100% of base pay.
9. Vacation Cash-out: Employees may cash-out up to forty hours of accrued vacation once a calendar year; must have used forty hours of vacation, comp-time or floating holiday time in the preceding year.

10. Safety Shoe Allowance: Provide an annual allowance of \$125.00 in the first paycheck in August 2019 and then in January of each year thereafter for the following classifications:

- a. Community Services Officer
- b. Forensics Specialists
- c. Helicopter Maintenance Technician
- d. Property & Evidence Technician
- e. Parking Enforcement Representative
- f. Senior Parking Enforcement Representative

11. State Disability Insurance: LIUNA will participate in the Employment Development Department's State Disability Insurance/Paid Family Leave. All employees in the bargaining unit will pay the full 1.0% cost of this program.

12. Tuition Reimbursement Program: Increase annual reimbursement amount by \$300, from \$1,000 to \$1,300.

13. This contract includes a number of non-economic language cleanup items.

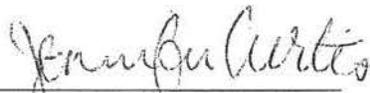
COUNCIL POLICY CONSIDERATION:

Approval of staff's recommendation supports the City Council's strategic goals of maintaining fiscal responsibility and stability.

FISCAL IMPACT:

The fully burdened fiscal impact of the three-year contract is approximately \$4,950,000 over the term of the contract, inclusive of anticipated increases to retirement costs on all pensionable compensation. The FY20 fiscal impact of approximately \$794,000 was included as part of the adopted FY20 Operating Budget. Approximately 48% of the cost is funded directly through the General Fund.

Respectfully Submitted,



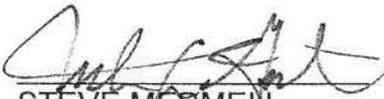
JENNIFER CURTIS
Director of Human Resources

Prepared by:



Jaime Arellano
Senior Human Resources Analyst

Approved by:



EMR STEVE MERMELL
City Manager

Attachments:

1. Laborer's International Union of North America, Local 777 Memorandum of Understanding - July 1, 2019-June 30, 2022