

**APPROVAL OF A MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF PASADENA AND THE
INTERNATIONAL UNION OF OPERATING ENGINEERS (IUOE)
FOR THE TERM OF JANUARY 1, 2021 – SEPTEMBER 30, 2021**

Item #8

February 22, 2021





Background

Human Resources Department

- The International Union of Operating Engineers (IUOE) represents 19 full-time employees who work at the Power Plant in the Water & Power Department
- The prior three-year Memorandum of Understanding between the City and the IUOE expired on June 30, 2020
 - In April 2020, negotiations began for a successor contract
 - Due to the immediate and significant impact the COVID-19 pandemic was projected to have on the City's budget and ongoing uncertainty including long-term impact, the City was not in a position to offer IUOE future financial enhancement



Background

Human Resources Department

- The City and IUOE continued to meet and agreed to extend the contract by six-months to December 31, 2020
 - > The City Council approved a Side Letter of Agreement on June 15, 2020, which:
 - Formalized the contract extension
 - Changed or added several non-economic items including workers' compensation salary continuation, language related to modified/light duty program as well as meal periods, and an adjustment to compensatory time banks for maintenance classifications that work a 9/80 schedule



Background

Human Resources Department

- The City and IUOE have agreed to a successor contract that includes modest economic changes.
- The following is a summary overview of the key contract provisions:
 1. Term: January 1, 2021 – September 30, 2021
 2. Compensation Changes:
 - a. 1% salary increase effective March 1, 2021
 - b. A one-time, lump sum payment equal to the value of 1% of base pay for the period July 6, 2020 through February 28, 2021
 3. A number of non-economic clean-up items



Fiscal Impact

Human Resources Department

- The FY 2021 cost of the agreement is approximately \$20,000 and is 100% funded directly through the Light and Power Fund (401)
- The Water & Power Department's FY 2021 Operating Budget includes some additional funding in anticipation of negotiated wage increases



Recommendation

Human Resources Department

- It is recommended that the City Council:
 - > 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; and
 - > Approve a Memorandum of Understanding between the City of Pasadena and the International Union of Operating Engineers for the term of January 1, 2021 – September 30, 2021