

# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Alex Gurza

**SUBJECT:** SEE BELOW

**DATE:** March 12, 2014

Approved

Date 3/12/14

**SUBJECT: TERMS OF SIDE LETTER AGREEMENTS BETWEEN THE CITY OF SAN JOSE AND THE MUNICIPAL EMPLOYEES' FEDERATION, AFSCME, LOCAL 101 (MEF)**

## RECOMMENDATION

Adopt a resolution to:

- (a) Approve an agreement between the City of San Jose (City) and the Municipal Employees' Federation, AFSCME Local 101 (MEF) to implement a Pilot Program regarding the calculation of overtime for classifications in the Public Safety Dispatcher class series effective the beginning of the pay period after City Council approval;
- (b) Approve an agreement between the City of San Jose (City) and the Municipal Employees' Federation, AFSCME Local 101 (MEF) to roll the Holiday-In-Lieu premium pay into base pay and provide employees in the classifications in the Public Safety Dispatcher class series with an approximately three percent (3%) special base pay increase effective the beginning of the pay period after City Council approval; and
- (c) Amend the City of San Jose Pay Plan effective the beginning of the pay period after City Council approval, to roll the Holiday-In-Lieu premium pay into base pay and provide employees in the classifications in the Public Safety Dispatcher class series with an approximately three percent 3% special base pay increase, which collectively results in increasing by approximately nine and one-half percent (9.5%) the top and bottom of the salary range for classifications in the Public Safety Dispatcher class series.

## OUTCOME

Adoption of the resolution will approve Side Letter Agreements between the City and MEF, to allow for the implementation of a Pilot Program regarding the calculation of overtime for classifications in the Public Safety Dispatcher class series, roll the Holiday-In-Lieu premium pay of approximately six and one-half percent (6.5%) of regular salary into base pay, and provide

March 12, 2014

**Subject: TERMS OF SIDE LETTER AGREEMENTS BETWEEN THE CITY OF SAN JOSE AND THE MUNICIPAL EMPLOYEES' FEDERATION, AFSCME, LOCAL 101 (MEF)**

Page 2 of 5

employees in the classifications in the Public Safety Dispatcher class series with an approximately three percent (3%) special base pay increase. Additionally, if the recommendations are approved, the City of San Jose Pay Plan will be amended to change the salary ranges for the classifications in the Public Safety Dispatcher class series to reflect the changes described above.

## **BACKGROUND**

Classifications in the Public Safety Dispatcher class series are responsible for various tasks, including, but not limited to, handling the full range of telephone answering and dispatch functions and under general supervision, performing work of moderate difficulty in dispatching Police, Fire, and emergency medical personnel and equipment, and performing related work as required.

The purpose of the Side Letter Agreements (Agreements) is to address concerns related to the recruitment and retention of classifications in the Public Safety Dispatcher class series. Additionally, due to the training requirements of employees in the Public Safety Dispatcher class series and the length of the recruitment process, there is a need to ensure that staffing levels are maintained. These Agreements would assist in ensuring the reliable operations of the Communications Division of the Police and Fire Departments. The provisions contained in the Agreements would apply to the following classifications:

- Public Safety Communications Specialist
- Public Safety Communications Specialist (PT)
- Public Safety Radio Dispatcher
- Public Safety Radio Dispatcher (PT)
- Public Safety Radio Dispatcher Trainee
- Public Safety Radio Dispatcher Trainee (PT)
- Senior Public Safety Dispatcher
- Senior Public Safety Dispatcher (PT)
- Supervising Public Safety Dispatcher

The implementation of the Pilot Program to consider paid time off (excluding sick leave) as time worked for the purpose of calculating eligibility for overtime compensation is intended to provide additional incentives to employees in the Public Safety Dispatcher class series who are often required to work mandatory overtime shifts due to workload demands and the twenty-four hour operations of the Police and Fire Department.

Holiday-In-Lieu is a premium pay provided to employees for having to work holidays in lieu of paid holiday leave, given the nature of their work and the operational requirements of the Police and Fire Department. The Holiday-In-Lieu premium pay is approximately six and one-half percent (6.5%) of the employee's regular salary. The expectation is that employees receiving this premium pay are scheduled to work holidays and, when an employee who is receiving Holiday-In-Lieu takes a holiday off, the employee would use their own leave time such as vacation leave and/or personal leave. Holiday-In-Lieu premium pay is pensionable pay.

March 12, 2014

**Subject: TERMS OF SIDE LETTER AGREEMENTS BETWEEN THE CITY OF SAN JOSE AND THE MUNICIPAL EMPLOYEES' FEDERATION, AFSCME, LOCAL 101 (MEF)**

Page 3 of 5

It is recommended that Holiday-In-Lieu pay be rolled into base pay, which will result in the top and bottom of the salary range being increased for classifications in the Public Safety Dispatcher class series listed above by approximately six and one-half percent (6.5%). Rolling the Holiday-In-Lieu premium pay into the base pay of classifications in the Public Safety Dispatcher class series would provide additional pay and incentives for employees who are scheduled to work mandatory overtime shifts. Premium pays are not counted towards the calculation of overtime; however, by rolling in Holiday-In-Lieu into base pay classifications in the Public Safety Dispatcher class series will earn additional compensation for overtime hours worked. It should be noted that Holiday-In-Lieu is already pensionable so doing so will not increase pensionable pay.

Finally, it is recommended that the salary range for employees in the Public Safety Dispatcher class series be increased by an approximately three percent (3%). The recommended three percent (3%) special base pay increase for classifications in the Public Safety Dispatcher class series is in addition to the two percent (2%) general wage increase approved in August 2013 for employees in MEF.

### ANALYSIS

The following is a summary of the key provisions contained in the Side Letter Agreements:

**Calculation of Overtime – Pilot Program**

Effective the first pay period after the agreement has been signed by all parties and has been approved by the City Council, paid time off (excluding sick leave) shall be considered time worked for the purpose of calculating eligibility for overtime compensation for classifications in the Public Safety Dispatcher class series listed above, and only during the term of the Pilot Program.

The Pilot Program shall expire on June 21, 2014. Either party may, at any time, terminate the Pilot Program prior to June 21, 2014, upon fifteen (15) day advance written notice being provided to the other party.

**Holiday-In-Lieu**

Effective the first pay period after the agreement has been signed by all parties and has been approved by the City Council, Holiday-In-Lieu, approximately six and one-half percent (6.5%) of base salary, will be rolled into base pay for the classifications listed above and the classifications listed above will no longer be eligible for Holiday-In-Lieu pay.

**Base Pay Increase**

Effective the first pay period after the agreement has been signed by all parties and has been approved by the City Council, employees in the classifications listed above shall receive a special base pay increase of approximately three percent (3%). This will result in the top and bottom of the range of employees in the Public Safety Dispatcher class series being approximately three percent (3%) higher.

HONORABLE MAYOR AND CITY COUNCIL

March 12, 2014

**Subject: TERMS OF SIDE LETTER AGREEMENTS BETWEEN THE CITY OF SAN JOSE AND THE MUNICIPAL EMPLOYEES' FEDERATION, AFSCME, LOCAL 101 (MEF)**

Page 4 of 5

### **EVALUATION AND FOLLOW-UP**

No further follow-up with the City Council related to this action is anticipated at this time.

### **PUBLIC OUTREACH/INTEREST**

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

While this action does not meet any of the criteria listed, this memorandum was posted on the City's website 10 days in advance of the March 25, 2014, City Council meeting.

### **COORDINATION**

This memorandum was coordinated with the Budget Office, and the City Attorney's Office.

### **COST IMPLICATIONS**

The cost implications pertaining to the recommendations related to rolling the Holiday-In-Lieu special premium pays into base pay will result in additional cash compensation for overtime hours worked and will be absorbed within the Police Department and Fire Department Personal Services appropriation in 2013-2014. The costs pertaining to the Pilot Program and approximately three percent (3%) base pay increase for classifications in the Public Safety Dispatcher class series will also be absorbed within the Police Department and Fire Department Personal Services appropriation in 2013-2014 (approximately \$175,000). If approved, this increase will be also included in the Police and Fire Department Base Budgets for 2014-2015 (approximately \$700,000).

HONORABLE MAYOR AND CITY COUNCIL

March 12, 2014

**Subject: TERMS OF SIDE LETTER AGREEMENTS BETWEEN THE CITY OF SAN JOSE AND THE MUNICIPAL EMPLOYEES' FEDERATION, AFSCME, LOCAL 101 (MEF)**

Page 5 of 5

**CEQA**

Not a Project, File No. PP10-068(b), Municipal Code or Policy change, Title 3 (Personnel).



Alex Gurza  
Deputy City Manager

For questions please contact Alex Gurza, Deputy City Manager, at (408) 535-8150.

Attachment

## **SIDE LETTER AGREEMENT**

BETWEEN

THE CITY OF SAN JOSE

AND

THE MUNICIPAL EMPLOYEES' FEDERATION/AFSCME, LOCAL 101 (MEF)

### **Calculation of Overtime for Employees in the Public Safety Dispatcher Class Series PILOT PROGRAM**

The City and the Union acknowledge that the MEF Memorandum of Agreement has the following language regarding the calculation of overtime compensation:

- 7.12.1 Hours assigned and worked in excess of forty (40) hours per week shall be compensated by overtime pay or compensatory time at 1.5 times the hourly rate for the number of overtime hours worked. Paid time off shall not be considered time worked for the purpose of calculating eligibility for overtime.

Employees in the Public Safety Dispatcher class series listed below in the Police Department and Fire Department are often required to work mandatory overtime shifts due to the twenty-four hour operations of the Police Department and Fire Department.

- Public Safety Communications Specialist
- Public Safety Communications Specialist (PT)
- Public Safety Radio Dispatcher
- Public Safety Radio Dispatcher (PT)
- Public Safety Radio Dispatcher Trainee
- Public Safety Radio Dispatcher Trainee (PT)
- Senior Public Safety Dispatcher
- Senior Public Safety Dispatcher (PT)
- Supervising Public Safety Dispatcher

In recognition of the circumstances listed above, effective the first pay period after this agreement has been signed by all parties below and has been approved by the City Council, paid time off (excluding sick leave) shall be considered time worked for the purpose of calculating eligibility for overtime compensation for employees in the classifications in the Public Safety Dispatcher class series listed above, and only during the term of this Pilot Program.

This Pilot Program shall become effective on the first pay period after this agreement is signed by all parties below and has been approved by the City Council, and shall expire **on June 21, 2014**. Either party may, at any time, terminate the Pilot Program prior to June 21, 2014, upon fifteen day advance written notice being provided to the other party.

For Employer:  
City of San Jose

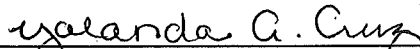
For Union:  
MEF



3-7-14

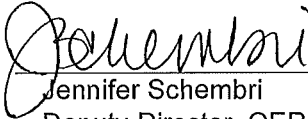
Alex Gurza  
Deputy City Manager

Date

 3/5/14

Yolanda Cruz  
President, MEF

Date



3/7/14

Jennifer Schembri  
Deputy Director, OER

Date

 3-7-14

Charles Allen  
AFSCME Local 101 Business Agent

Date

## SIDE LETTER AGREEMENT

BETWEEN

THE CITY OF SAN JOSE

AND

THE MUNICIPAL EMPLOYEES' FEDERATION/AFSCME, LOCAL 101 (MEF)

### HOLIDAY IN LIEU AND BASE PAY INCREASE PUBLIC SAFETY DISPATCHER CLASS SERIES

1. The City and the Union acknowledge that the MEF Memorandum of Agreement (MOA) has the following language regarding Holiday-In-Lieu for the Public Safety Dispatcher class series:

10.1.13 Holiday-In-Lieu Pay For Public Safety Dispatchers Class Series. In lieu of the holiday compensation provided above, employees in the Public Safety Dispatcher class series listed below shall be paid an amount equal to 6.5% of base salary as holiday pay. Holiday-in-lieu compensation shall be included in the employee's final average salary for the purpose of pension calculation. Employees who are paid such holiday-in-lieu pay may be required to work on holidays, and do not receive any other form of holiday compensation under any other section of this Agreement. In the event that the City Council proclaims or designates any additional holidays for which full-time employees are entitled to holiday leave, in addition to those listed in Article 10.1.1, the City will meet and confer with the Union over holiday-in-lieu pay for the Public Safety Dispatchers class series listed below.

- Public Safety Communications Specialist
- Public Safety Communications Specialist (PT)
- Public Safety Radio Dispatcher
- Public Safety Radio Dispatcher (PT)
- Public Safety Radio Dispatcher Trainee
- Public Safety Radio Dispatcher Trainee (PT)
- Senior Public Safety Dispatcher
- Senior Public Safety Dispatcher (PT)
- Supervising Public Safety Dispatcher

Effective the first pay period after this agreement is signed by all parties below and approved by City Council, the parties agree that Holiday-In-Lieu, approximately 6.5% of base salary, will be rolled into base pay for the classifications listed above and the classifications listed above will no longer be eligible for Holiday-In-Lieu pay, pursuant to the MEF MOA as follows:

10.1.13 ~~Holiday-In-Lieu Pay For Public Safety Dispatchers Class Series.~~ In lieu of the holiday compensation provided above, employees in the Public Safety Dispatcher class series listed below shall be paid an amount equal to 6.5% of base salary as holiday pay. Holiday-in-lieu compensation shall be included in the employee's final average salary for the purpose of pension calculation. Employees who are paid



such holiday-in-lieu pay may be required to work on holidays, and do not receive any other form of holiday compensation under any other section of this Agreement. In the event that the City Council proclaims or designates any additional holidays for which full-time employees are entitled to holiday leave, in addition to those listed in Article 40.1.1, the City will meet and confer with the Union over holiday-in-lieu pay for the Public Safety Dispatchers class series listed below.

- Public Safety Communications Specialist
- Public Safety Communications Specialist (PT)
- Public Safety Radio Dispatcher
- Public Safety Radio Dispatcher (PT)
- Public Safety Radio Dispatcher Trainee
- Public Safety Radio Dispatcher Trainee (PT)
- Senior Public Safety Dispatcher
- Senior Public Safety Dispatcher (PT)
- Supervising Public Safety Dispatcher

Effective the first pay period after this agreement is signed by all parties below and approved by City Council, all employees in the Public Safety Dispatcher class series listed below shall receive a 6.5% special pay adjustment in place of the Holiday-In-Lieu compensation. Beginning the first pay period after this agreement is signed by all parties below and approved by City Council, and continuing thereafter, the Holiday In-Lieu compensation benefit shall cease to apply to all employees in the Public Safety Dispatcher class series listed below. It is expressly understood that the 6.5% special pay adjustment is compensation for all employees in the Public Safety Dispatcher class series listed below in lieu of holiday benefits. There shall be no additional holiday compensation.

- Public Safety Communications Specialist
- Public Safety Communications Specialist (PT)
- Public Safety Radio Dispatcher
- Public Safety Radio Dispatcher (PT)
- Public Safety Radio Dispatcher Trainee
- Public Safety Radio Dispatcher Trainee (PT)
- Senior Public Safety Dispatcher
- Senior Public Safety Dispatcher (PT)
- Supervising Public Safety Dispatcher

2. Effective the first pay period after this agreement is signed by all parties below and approved by City Council, employees in the following classifications shall receive a special base pay increase of approximately 3.0%. This will result in the top and bottom of the range of employees in the Public Safety Dispatcher class series represented by MEF being approximately 3% higher.


- Public Safety Communications Specialist
- Public Safety Communications Specialist (PT)
- Public Safety Radio Dispatcher
- Public Safety Radio Dispatcher (PT)
- Public Safety Radio Dispatcher Trainee
- Public Safety Radio Dispatcher Trainee (PT)
- Senior Public Safety Dispatcher

- Senior Public Safety Dispatcher (PT)
- Supervising Public Safety Dispatcher

The parties hereby agree to incorporate the language in this side letter into any successor MOA reached between the City and MEF, unless modified through the negotiation process. In addition, until such time as a successor MOA is reached between the City and MEF, the terms of this side letter shall supersede any language contained in the 2013-2014 MEF MOA, as described above.

This side letter agreement shall become effective on the first pay period after this agreement has been signed by all parties below and approved by the City Council.

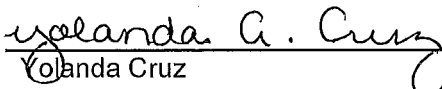
For Employer:  
City of San Jose

  
\_\_\_\_\_  
Alex Gurza  
Deputy City Manager

3.7.14

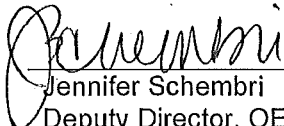
Date

For Union:  
MEF

  
\_\_\_\_\_  
Yolanda Cruz  
President, MEF

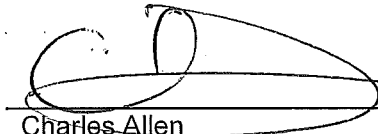
3/5/14

Date

  
\_\_\_\_\_  
Jennifer Schembri  
Deputy Director, OER

3/7/14

Date

  
\_\_\_\_\_  
Charles Allen  
AFSCME Local 101 Business Agent

3-7-14

Date