

Office of the City Manager

EMPLOYEE RELATIONS

SENT VIA REGULAR US MAIL AND EMAIL

January 17, 2017

Sal Ventura Business Representative, IBEW 2125 Canoas Garden Ave., Suite 100 San Jose, CA 95125 Frank Crusco Chief Steward, IBEW c/o Central Service Yard 1661 Senter Road, Bldg A, 2nd Floor San Jose, CA 95112

RE: Memorandum of Agreement

Dear Sal and Frank:

As you know, the current Memorandum of Agreement (MOA) (which can be found at <u>http://www.sanjoseca.gov/DocumentCenter/View/48659</u>) between the City and the International Brotherhood of Electrical Workers, Local No. 332 (IBEW) is set to expire on June 30, 2017.

The City is interested in extending the terms of the current MOA an additional year, with an expiration of June 30, 2018, in lieu of engaging in full negotiations for a successor MOA. This extension would include a three percent (3%) general wage increase that would be effective the first pay period of Fiscal Year 2017-2018 (June 18, 2017), and maintaining all other terms of the current MOA as status quo. Please note that we would also like to extend the City Medical Benefits Reopener (<u>http://www.sanjoseca.gov/DocumentCenter/View/48656</u>) which, in light of what may or may not occur with the Affordable Care Act, we believe both parties would benefit from having the flexibility to talk about these issues, as well as the side letter to allow us to discuss the Unclassified Temporary Electrician Agreement (<u>http://www.sanjoseca.gov/DocumentCenter/View/27679</u>).

Please let us know if this is acceptable to IBEW and we can draft a tentative agreement to reflect the MOA extension for review as well as a revised side letter on medical benefits. Please note that the City is willing to engage in full negotiations over a successor MOA if that is ultimately what IBEW decides. In that event, this proposal would be withdrawn and we would begin negotiations over a comprehensive successor MOA in Spring 2017. We'd appreciate it if you can let us know by Friday, February 3, 2017.

Please let me know if you have any further questions.

Sincerely,

Jennifer Schembri Director of Employee Relations

c: Norberto Duenas, City Manager Marco Mercado, Assistant to the City Manager, Office of Employee Relations