2019 CITY OF SAN JOSE – OE#3 NEGOTIATIONS TENTATIVE AGREEMENT

TERM

October 1, 2019 - June 30, 2021

WAGES

Fiscal Year 2019-2020

 3% general wage increase effective Fiscal Year 2019-2020. Effective October 6, 2019, all salary ranges for employees holding positions in classifications assigned to OE#3 shall be increased by approximately 3%.

Fiscal Year 2020-2021

 3% general wage increase effective Fiscal Year 2020-2021. Effective June 28, 2020, all salary ranges for employees holding positions in classifications assigned to OE#3 shall be increased by approximately 3%.

INCORPORATION OF SIDE LETTER AGREEMENT

Shift Differential for employees assigned to a twelve (12) hour shift at the Regional Waste Water Facility - See Attached

REOPENERS

City Healthcare Program - See Attached

2019 CITY OF SAN JOSE – OE#3 NEGOTIATIONS TENTATIVE AGREEMENT

* This agreement is considered tentative and shall not be considered final or binding until ratified by union members and approved by the City Council. This document sets forth the full agreements of the parties reached during these negotiations. Anything not included in this document is not part of the Tentative Agreement.

| FOR THE CITY: | FOR THE UNION: |
|---|---|
| Jennifer Schembri Date Director of Employee Relations | Mary Blanco, Business Representative Operating Engineers, Local 3 (OE#3) |
| Elsa Cordova Date Assistant to the City Manager, OER | Paul Prange Date Team Member, Operating Engineers, Local 3 (OE#3) |
| Randi Perry Date Executive Analyst, OER | But British 8/22/19 Brett Benitez Date Team Member, Operating Engineers, Local 3 (OE#3) |
| Napp Fukuda Date Asst. Director, Environmental Services | Larry Brown Date Team Member, Operating Engineers, Local 3 (OE#3) |
| Rick Scott 8/22/19 Date | |

Deputy Director, Dept. of Transportation

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CITY PROPOSAL TO OE#3 - SHIFT DIFFERENTIAL

City Proposed Language:

ARTICLE 5 WAGES AND SPECIAL PAY

- Shift Differential. Eligible employees, as defined herein, regularly assigned to work a swing shift, shall be paid a shift differential of \$1.55 per hour for each eligible hour, as defined herein, to the nearest fifteen (15) minutes, of work performed. Eligible employees, as defined herein, regularly assigned to work a graveyard shift shall be paid a shift differential of \$1.75 per hour, as defined herein, to the nearest fifteen (15) minutes of work performed.
 - 5.3.1 <u>Eligibility and Application.</u> To be eligible for payment of shift differential, an employee must be assigned to an on-going, regular shift of eight (8) hours or more which is regularly scheduled to start between the hours of:
 - 2:00 p.m. and 11:59 p.m. (i.e. swing shift), or
 - 2:00 midnight and 5:59 a.m. (i.e. graveyard shift)

Employees assigned to work an on-going, regular shift of twelve (12) hours or more at the Regional Wastewater Facility (RWF), which is regularly scheduled to start between the hours of 6:00 a.m. to 6:00 p.m. shall be paid a shift differential of \$1.55 per hour for each eligible hour, to the nearest fifteen (15) minutes, of work performed between the hours of 2:00 p.m. and 6:00 p.m.

If the employee's shift starts within the time period defined above and the employee works a minimum of two (2) hours within that time period, the employee shall be compensated with shift differential for the entire shift.

If the employee's shift starts within the time period defined above and the employee works less than two (2) hours within that time period, the employee shall be compensated with shift differential for the number of hours of work actually performed within that time period.

- 5.3.2 Except as otherwise required by applicable State or Federal law, shift differential pay shall not be included as regular compensation in computing other benefits.
- * This agreement is considered tentative and shall not be considered final or binding until a final agreement on all terms has been reached and both ratified by union members and approved by the City Council.

FOR THE CITY:

Jennifer Schembri

Director of Employee Relations

Director of Human Resources

FOR THE UNION:

Mary Blanco, Business Representative

Operating Engineers, Local 3 (OE#3)

Date

SIDE LETTER AGREEMENT

BETWEEN THE CITY OF SAN JOSE

AND

THE INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL NO. 3 (OE#3)

City Healthcare Program Reopener

To the extent that they are a mandatory subject of bargaining and arise during the term of the successor Memorandum of Agreement (MOA) between the City of San Jose (City) and the International Union of Operating Engineers, Local No. 3 (OE#3), the parties agree to meet and confer over potential changes to the City's healthcare program.

Either the City or OE#3 may provide notice to the other of its request to discuss potential changes to the City's healthcare program. The parties shall commence the discussions within ten (10) calendar days after the City or OE#3 receive notice from the other.

To the extent that any change to the City's healthcare program is a mandatory subject of bargaining, the parties shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties reach impasse and no agreement is reached on those issues that are a mandatory subject of bargaining, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367 and/or the Meyers Milias Brown Act. All mandatory impasse procedures (mediation and factfinding (if requested by OE#3)) shall be exhausted. The parties understand that this means that, notwithstanding any other provision in the successor MOA, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures.

This Agreement is considered part of the tentative agreement for a successor MOA between the parties, and shall become effective only as part of the overall tentative agreement for a successor MOA, and when signed by all parties below and approved by the City Council. This agreement is effective only during the term of a successor MOA.

FOR THE CITY:

Jennifer Schembri

Date

Director of Employee Relations

Director of Human Resources

Mary Blanco, Business Representative

FOR THE UNION:

Operating Engineers, Local 3 (OE#3)