



Proposal made by IFPTE Local 21 to the City of San Jose
The provisions contained herein are individual proposals. Language not changed herein will remain unchanged. The Union(s) reserves the right to amend, withdraw or add to this proposal.

Submitted on:
06/07/2023

**SIDE LETTER AGREEMENT
BETWEEN
THE CITY OF SAN JOSE
AND
ASSOCIATION OF ENGINEERS AND ARCHITECTS (AEA), IFPTE, LOCAL 21**

To address staffing shortages at the Regional Wastewater Facility, Stantec began providing engineering and project management services in October 2013. The intention was for the contract to last only five (5) years while City staffing recovered, and the agreement was structured with the intention that consultant functions transition back to City staff. ~~The contract was extended for another five (5) years in 2017 to align with the programmatic, technical, and resource demands of the program; and for similar reasons, extended again in 2023 for an additional three (3) years with two one (1) year options to extend.~~

Stantec committed to training programs and plans to transition the work back in-house by 2018. These transition plans have not come to full fruition. The Environmental Services Department (ESD) has transitioned ~~some thirteen (13)~~ positions to City staff thus far, with the greatest strides in filling the Deputy Director, multiple Principal Engineer positions, and core programmatic level positions. However, despite numerous recruitment efforts over the years, the department has continued to have challenges in hiring **Wastewater Facility** Senior Engineers.

The City and IFPTE, Local 21 have agreed to the following principles, standards, and process for contracting-out and the services being provided through the Stantec Consulting Services Agreement:

1. The parties commit to delivering ESD's CIP projects with the highest quality and on time and on- budget.
2. The parties commit to use City staff to perform engineering, planning, architectural, construction management, program management, and project management work where feasible and practicable given the needs of the CIP. ~~and availability of appropriate City staff with necessary specialized expertise.~~
3. The parties agree that the plan is to phase out consultants and transition consultant positions to City staff where applicable (e.g., ~~some consultant program staff will simply phase out with no transition needed.~~
4. The parties recognize that contracting out select CIP work may be necessary for the following reasons:
 - a. The City may contract-out specialized services for which City staff do not possess the necessary specialized skills or experience.

b. The City may contract-out to address temporary peak workloads. Temporary peak workloads are situations where City staff are capable of providing needed services, but sufficient staff are not available to meet project deadlines and the work is not forecasted to be sufficient to sustain the hiring of additional, qualified permanent employees without risk of layoff or displacement.

The parties further agree that over the life of this Stantec Consulting Services agreement, contracting of Senior Engineer work will not be expanded beyond functions provided by three existing consultants. These consultants should be allowed to complete work on specific projects that they are currently working on, but not be moved to additional projects. Additionally, the priority will be to fill vacant **Wastewater Facility** Senior Engineer positions with City staff as soon as practicable. ~~This stipulation only applies on the presumption of successful recruitments for any and all Senior Engineers vacancies.~~ If these positions can be filled, the three remaining consultants in these roles will be transitioned to City staff by December 2026. **Alternatively, if by December 2025 the department is not at or below 10% vacancy rate in the Wastewater Facility Senior Engineer classification, then a salary survey must be done and the classification brought to market or above;** ~~if these positions cannot be filled the use of consultants for any roles and specific projects can continue. Additionally, consultants may continue beyond the aforementioned date, if deemed necessary to maintain continuity, project schedules and budget (e.g., a project is in the middle of construction).~~

In order to intentionally ensure that all Stantec employees are transitioned out by 2026 and the vacant Senior Engineer positions can be filled within three years, the parties agree that they will hold ongoing discussions with labor groups as necessary, and no less than quarterly, to discuss recruitment plans and promotional development opportunities for existing staff.

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

FOR THE CITY:

Burke Dunphy Date
Lead Negotiator
City of San José

FOR THE UNION:

Elizabeth Kamya Date
Union Representative
IFPTE, Local 21

Florin Lapustea. Date
President, AEA