



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

SUBJECT: SEE BELOW

FROM: Jennifer Schembri

DATE: September 11, 2023

Approved

Date

9/11/2023

SUPPLEMENTAL

SUBJECT: APPROVAL OF A SIDE LETTER AGREEMENT BETWEEN THE CITY OF SAN JOSE AND THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL NO. 332 (IBEW) TO AMEND CERTAIN ARTICLES IN THE CURRENT MEMORANDUM OF AGREEMENT (MOA) AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH THOSE AMENDMENTS

REASON FOR SUPPLEMENTAL

On or about September 8, 2023, the City and International Brotherhood of Electrical Workers, Local No. 332 (IBEW) reached a Side Letter Agreement related to the observance of Lunar New Year. This Side Letter Agreement will result in Lunar New Year being a City-observed holiday beginning in 2024, as similar agreements have been agreed upon by the City's other applicable bargaining units. Additionally, there was a typographical error in the original memorandum to the City Council, dated September 1, 2023, that the Administration is correcting here.

RECOMMENDATION

Adopt a resolution to approve the terms of a Side Letter Agreement between the City and IBEW to amend certain articles in the MOA related to the observance of Lunar New Year, and authorize the City Manager to execute an agreement with those terms.

SUMMARY AND OUTCOME

Adoption of the resolution and authorization to execute the Side Letter Agreement will result in amendments to certain articles in the current MOA between the City and IBEW related to the observance of Lunar New Year. This will further result in Lunar New Year becoming a City-observed holiday beginning in 2024.

BACKGROUND

The City has reached Side Letter Agreements related to the observance of Lunar New Year with the Association of Building, Mechanical and Electrical Inspectors (AMBEI), the Association of Engineers and Architects, IFPTE, Local 21 (AEA), the Association of Legal Professionals (ALP), the Association of Maintenance Supervisory Personnel, IFPTE, Local 21 (AMSP), the City Association of Management Personnel, IFPTE, Local 21 (CAMP), the Municipal Employees' Federation, AFSCME, Local 101 (MEF), the International Union of Operating Engineers, Local #3 (OE#3), the Peace Officer Park Ranger Association (POPRA), and the San Jose Police Dispatchers' Association (SJPDA). As such, on August 24, 2023, the City and IBEW began discussions related to the observance of Lunar New Year, as an agreement related to this matter would enable the City to implement the holiday change citywide beginning in 2024.

On September 7, 2023, IBEW notified the City that they were in agreement with the terms discussed and on September 8, 2023, the City and IBEW reached a subsequent Side Letter Agreement to amend the terms of the IBEW MOA related to the observance of Lunar New Year.

In the original memorandum to the City Council, dated September 1, 2023, the Cost Summary/Implications section stated that the ongoing increased cost of the 4.00% general wage increase effective the first full pay period of Fiscal Year 2024-2025, and the additional 1.00% general wage increase effective the first pay period in January 2025 is approximately \$28.3 million in all funds, of which \$11.5 million is in the General Fund. However, the \$28.3 million was a typographical error – the correct total cost is estimated to be approximately \$22.5 million in all funds. The General Fund figure of \$11.5 million is still correct.

ANALYSIS

Beginning in 2024, Lunar New Year shall be observed as a City-observed holiday and New Year's Eve Day shall no longer be a City-observed holiday. Full-time employees in IBEW shall be entitled to an additional eight (8) hours of personal leave in recognition that City employees may wish to observe a personal holiday that is not observed by the City, effective the first pay period of payroll calendar year 2024.

A complete copy of the Side Letter Agreement is attached (Attachment L).

EVALUATION AND FOLLOW-UP

No additional follow up action with the City Council is expected at this time.

COST SUMMARY/IMPLICATIONS

The approval of the Side Letter related to the observance of Lunar New Year with IBEW will have no cost impacts.

COORDINATION

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

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the September 12, 2023, City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-010, City Organizational and Administrative Activities resulting in no physical changes to the environment.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.



Jennifer Schembri

Director of Employee Relations

Director of Human Resources

For questions, please contact Jennifer Schembri, Director of Employee Relations and Human Resources, at (408) 535-8150.

SIDE LETTER AGREEMENT

BETWEEN
THE CITY OF SAN JOSE
AND
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (IBEW)

LUNAR NEW YEAR

The City and IBEW agree that the following will become effective as soon as practicable once this can be implemented for all City employees:

Lunar New Year shall be observed in accordance with the State of California's holiday schedule and New Year's Eve Day shall no longer be a City-observed holiday. The following changes will also be implemented at the time the holiday change is implemented:

17.4 Personal Leave

Effective the first pay period of each payroll year, each full-time employee shall be entitled to a maximum of ~~twenty-four~~^{thirty-two} (24³²) hours per payroll calendar year, ~~eight (8) hours of which is granted in recognition that City employees may wish to observe a personal holiday that is not observed by the City.~~ Such leave may be scheduled in fifteen minute increments, at any time, subject to approval of the supervisor. Personal Leave is not accrued. Any such leave not taken by the date of termination for employees terminating during the year, or by the end of the last pay period in the calendar year for other employees, shall not be paid out nor carried over to subsequent years. Under no circumstances, such as promotion, transfer, and/or rehire, shall an employee receive more than ~~24~~³² hours of Personal Leave in any given calendar year.

17.4.1 Full-time employees hired on or after July 1st shall be entitled to only ~~twelve~~^{sixteen} (~~12~~¹⁶) hours in the first payroll calendar year in which they were hired.

17.4.2 ~~Effective the first pay period of payroll calendar year 2023, a~~An employee on a reduced work week schedule will receive Personal Leave as indicated in the chart below, even if the actual hours worked exceed that amount.

Scheduled Work Hours per Week	Benefit Level	Hours of Personal Leave
35 – 39.9 hours per week	100%	24-32 hours
30 – 34.9 hours per week	75%	18-24 hours
25 – 29.9 hours per week	62.5%	15-20 hours
20 – 24.9 hours per week	50%	12-16 hours
Less than 20 hours per week	Unbenefited	None

17.4.3 ~~Effective the first pay period of payroll calendar year 2023, a~~An employee who is promoted or demoted into an IBEW-represented classification will have the number of Personal Leave hours they receive upon promotion or demotion reduced on an hour-for-hour basis based on their usage of Personal Leave and/or Executive Leave within the same payroll calendar year.

SIDE LETTER AGREEMENT

BETWEEN
THE CITY OF SAN JOSE
AND
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (IBEW)

LUNAR NEW YEAR

The terms of this Side Letter Agreement shall become effective when signed by all parties below and approved by the City Council in open session and shall be incorporated into any successor IBEW Memorandum of Agreement.

FOR THE CITY:

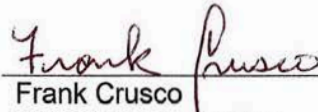
 9/8/2023

Jennifer Schembri Date
Director of Employee Relations
Director of Human Resources

FOR THE UNION:

 9/8/23

Nate Morris Date
Business Representative
IBEW, Local 332

 9-8-23

Frank Crusco Date
Chief Steward, IBEW