



CITY OF POMONA COUNCIL REPORT

June 4, 2018

To: Honorable Mayor and Members of the City Council

From: Linda Lowry, City Manager

Submitted by: Linda Matthews, Human Resources/Risk Management Director

Subject: **Adoption of Resolutions Approving a Memorandum of Understanding between the City of Pomona and Teamsters Local 1932 for the Part-time General Unit for a Term of June 4, 2018 through September 30, 2019; and Approving the Citywide Salary Schedule**

OVERVIEW

Recommendations - That the City Council adopt the attached resolutions:

1. Approving a Memorandum of Understanding between the City of Pomona and Teamsters Local 1932 for the Part-Time General Unit; and
2. Approving the Citywide Salary Schedule to meet the California Code of Regulations Title 2, Sections 570.5 and 571 to reflect recently approved changes to compensation as a result of labor negotiations and addition of Information Technology classifications.

Fiscal Impact- For Fiscal Year 2017/18, the estimated cost of the proposed salary increases, excluding the minimum wage adjustments previously implemented in December 2017, is \$42,000 for all funds, of which \$31,000 is from the General Fund. For FY 2018/19, the estimated cost of the proposed salary increases, including the minimum wage adjustments in December 2018, is \$58,000 for all funds, of which \$46,500 is from the General Fund. These costs will be absorbed within existing budget appropriations for FY 2017/18.

Previous Council Action – City Council recently approved the following labor agreements with represented groups and amendments to compensation plans for unrepresented groups: Pomona City Employee’s Association on April 16, 2018 and Pomona Mid-Management/Confidential Employee’s Association and all non-represented employee groups on May 7, 2018. City Council also approved the addition of Information Technology classifications on April 16, 2018.

EXECUTIVE SUMMARY

Effective September 6, 2017, a new bargaining unit entitled the Part-Time General Unit (PTG) was created and Teamsters Local 1932 was recognized as the exclusive bargaining representative for the unit pursuant to the Public Employment Relations Board (PERB) Rules and Regulations.

This unit includes approximately 170 part-time employees performing a variety of work assignments. The parties met and conferred to establish the initial Memorandum of Understanding (MOU). Approval of this agreement will result in an agreement for the period of June 4, 2018 through September 30, 2019. The agreement includes salary increases of 2% effective October 2017 and October 2018 and special salary adjustments to eight (8) classification ranges related to the increases in the State minimum wage rate. In addition, other non-economic provisions have been updated to reflect terms appropriate for a represented unit, including, but not limited to, a grievance procedure for resolving disputes related to the MOU excluding discipline and the establishment of a labor-management committee to be convened as needed.

DISCUSSION

Creation of the New Part-Time General Unit.

On March 21, 2017, Teamsters Local 1932 filed a Petition for Recognition pursuant to Regulation 61215 of the Public Employment Relations Board (PERB) seeking to represent a proposed unit of all part-time general employees at the City of Pomona that excludes supervisors and managers. The petition was filed with PERB because the City's Collective Bargaining Ordinance does not cover representation procedures for part-time employees.

City staff and Teamsters representatives completed the required PERB procedures. Teamsters provided proof that the majority of the employees of the proposed unit supported Teamsters as the exclusive representative for the unit. Accordingly, the City was required to create the unit and recognize Teamsters as the exclusive representative unless it doubted the appropriateness of the unit. The City concurred with the appropriateness of the unit with a slight modification to exclude "confidential employees" in addition to managers and supervisors. "Confidential employees" are defined by the City's Collective Bargaining Ordinance as "any employee whose duties would give the employee access to decisions concerning city employer-employee relations, or who enters into the decision-making process of the city concerning any matter relating to employer-employee relations."

In compliance with PERB procedures, Teamsters Local 1932 has been recognized as the exclusive representative of the unit. The unit is defined as follows: All part-time general employees except those working in a managerial, supervisory, or confidential capacity as defined by the City of Pomona Employer-Employee Relations Ordinance (or the "Collective Bargaining Ordinance"). The resolution adopting the initial MOU will also serve as the official City action to create the Part-Time General Unit and recognize Teamsters as the exclusive representatives for the unit.

Establishment of Initial Memorandum of Understanding

City representatives and representatives of Teamsters Local 1932 met and conferred to establish an initial MOU for the Part-Time General Unit (PTG). On May 8, 2018, a Tentative Agreement was reached between the parties and the terms were ratified by PTG employees on May 18, 2018. The key economic provisions of the MOU are as follows:

Approval of Part-time General Unit Memorandum of Understanding

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| Provision | Change |
|-----------|------------------------------------------------------------------------------|
| Term | June 4, 2018 through September 30, 2019 |
| Salary | October 1, 2017 – 2% increase (retroactive) October 1, 2018 – 2% increase |

The salary increases are the same as those negotiated with other non-sworn units. In addition, special adjustments to the salary ranges related to the State minimum wage increases are being made to eight (8) PTG classifications effective July 1, 2018 and December 23, 2018. These adjustments are shown in bold italics in the table below:

| Assignment Title | Current Rates (Prior to proposed 2% increase on 10/1/2017) | | Proposed Rates Effective July 1, 2018 (special adjustment after 2% increase) | | Proposed Rates Upon Minimum Wage Increase - December 23, 2018 | |
|---------------------------------|------------------------------------------------------------|----------|------------------------------------------------------------------------------|---------------------|---------------------------------------------------------------|---------------------|
| | Min Rate | Max Rate | Min Rate | Max Rate | Min Rate | Max Rate |
| Community Service Specialist I | 10.50 | 12.73 | <i>11.00</i> | <i>13.37</i> | <i>12.00</i> | <i>14.59</i> |
| Community Service Specialist II | 11.52 | 16.49 | <i>12.31</i> | 16.82 | <i>13.20</i> | 17.16 |
| Intern | 10.50 | 19.92 | <i>11.00</i> | 20.32 | <i>12.00</i> | 20.72 |
| Library Clerk I | 10.50 | 19.92 | <i>11.00</i> | 20.32 | <i>12.00</i> | 20.72 |
| Library Page | 10.50 | 12.76 | <i>11.00</i> | <i>13.37</i> | <i>12.00</i> | <i>14.58</i> |
| Maintenance Worker I | 10.50 | 17.14 | <i>11.00</i> | <i>18.31</i> | <i>12.00</i> | <i>19.57</i> |
| Office Assistant I | 10.50 | 19.92 | <i>11.00</i> | 20.32 | <i>12.00</i> | 20.72 |
| Police Cadet | 10.50 | 12.98 | <i>11.00</i> | <i>13.60</i> | <i>12.00</i> | <i>14.83</i> |

The rates that are not in bold italics in the above table are modified based upon the 2% increases effective October 1, 2017 and October 1, 2018 with no special adjustments.

The State minimum wage increased from \$10.50 to \$11.00 per hour effective January 1, 2018 and will increase again from \$11.00 to \$12.00 per hour effective January 1, 2019. As a Charter City, the City of Pomona as an employer is not legally subject to the State minimum wage rate, but is making comparable adjustments to the State minimum wage rate in order to maintain a competitive compensation plan and show support for its lower wage workers. Most of the special adjustments reflect the movement of the minimum rate first to \$11.00 and then to \$12.00 per hour. Other adjustments were made to avoid wage compaction with higher level classifications or to adjust the maximum rate of the range to maintain a competitive market rate.

The special adjustments apply only to the classification ranges and will only impact the salary of incumbents who are below the minimum rate. Incumbent rates that were below \$11.00 per hour prior to January 1, 2018 were already adjusted administratively pursuant to existing provisions effective December 24, 2017. Any incumbent below the rate of \$12.00 per hour will be increased to \$12.00 per hour effective December 23, 2018. Rates for other employees may be adjusted through normal merit increase procedures at the discretion of the department and within existing budget appropriations.

As part of the initial MOU with the union, a number of non-economic provisions were added that are appropriate for a represented unit. These provisions include management rights, union rights,

a joint labor-management committee, binding on successors, maintenance of benefits, conclusiveness of agreement, term, and ratification. In addition, a limited grievance procedure has been included to resolve disputes related to interpretations of the MOU, excluding disciplinary issues, with the City Manager having the final decision.

Prior to approval of this PTG MOU, compensation for part-time employees was administered in accordance with Part-Time Compensation Plan. With the approval of this PTG MOU, the Part-Time Compensation Plan will be eliminated.

Attachment 1 includes the Resolution creating the unit, recognizing Teamsters as the exclusive representatives for the unit, approving the initial MOU, and eliminating the Part-Time Compensation Plan which currently governs employment terms for part-time employees. Changes from the Part-Time Compensation Plan are highlighted, with new language underlined and eliminated language shown with a strikethrough.

Attachment 2 includes the citywide Salary Schedule for all job classifications and pay ranges for all represented and unrepresented employee groups that reflect the changes proposed herein. In accordance with the requirements of the California Code of Regulations, Title 2, Sections 570.5 and 571, the City must adopt and publically post a consolidated Salary Schedule for all City classifications. The only material change made to the Salary Schedule is to reflect salary increases previously approved by City Council on April 16, 2018 and May 7, 2018 for all other non-sworn represented and non-represented groups, and the proposed salary adjustments to part-time positions proposed herein. The salary schedule also adds the Information Technology classifications approved by City Council on April 16, 2018.

Attachments:

1. City Council Resolution approving the Memorandum of Understanding Between the City of Pomona and Teamsters Local 1932 for the Part-Time General Unit
Exhibit A – Memorandum of Understanding Between the City of Pomona and Teamsters Local 1932 for the Part-Time General Unit
2. City Council Resolution amending the Citywide Salary Schedule
Exhibit A – Citywide Salary Schedule as of June 4, 2018