



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Alex Gurza

SUBJECT: SEE BELOW

DATE: July 20, 2009

Approved

Date

7/20/09

SUBJECT: MEMORANDA OF AGREEMENTS WITH THE ASSOCIATION OF ENGINEERS AND ARCHITECTS, INTERNATIONAL FEDERATION OF PROFESSIONAL AND TECHNICAL ENGINEERS, LOCAL 21, UNITS 41/42 AND UNIT 43

COUNCIL DISTRICT: N/A
SNI AREA: N/A

RECOMMENDATION

Adoption of a resolution:

- (a) Approving the terms of a Memorandum of Agreement with the Association of Engineers and Architects, International Federation of Professional and Technical Engineers, Local 21, Unit 041 and 042, and authorizing the City Manager to execute the agreement with a term of July 1, 2009 to June 30, 2010.
- (b) Approving the terms of a Memorandum of Agreement with the Association of Engineers and Architects, International Federation of Professional and Technical Engineers, Local 21, Unit 043, and authorizing the City Manager to execute the agreement with a term of July 1, 2009 to June 30, 2010.

OUTCOME

Adoption of the resolution and authorization to execute the successor Memoranda of Agreements would implement collective bargaining unit agreements between the City and AEA (Units 41/42 and 43).

BACKGROUND

The City of San Jose has two labor contracts with the Association of Engineers and Architects (AEA), International Federation of Professional and Technical Engineers (IFPTE), Local 21. The contract for Unit 041 and 042 covers approximately 218 full time positions in Fiscal Year 2008-2009. Employees in this unit include non-management Engineers and Architects. The contract for Unit 043 covers approximately 56 full time positions in Fiscal Year 2008-2009. This unit includes management employees such as Senior Engineers and Senior Architects.

Both contracts expired on June 30, 2009. The tentative agreements for successor MOAs with a term of July 1, 2009 through June 30, 2010, were ratified by the AEA membership on July 17, 2009.

ANALYSIS

The following is a summary of the tentative agreements between the City of San Jose and AEA, IFPTE, Local 21 Units 41/42 and Unit 43: The tentative agreements are attached.

Term	July 1, 2009 to June 30, 2010
Wages	Maintain current wages in effect as of June 30, 2009. These terms essentially "freeze" wages for employees represented by the Association of Engineers and Architects, Units 41/42 and 43.
Retiree Healthcare	<p>The agreement between the City and AEA, Units 41/42 and 43, regarding retiree healthcare dated March 4, 2009, shall be modified so that the reopener to commence meeting and conferring on retiree healthcare benefits for future employees and a medical reimbursement program for future retirees shall be delayed from January 2010 to January 2011.</p> <p>All other provisions of this agreement shall remain in effect and unchanged and will be incorporated into the 2009-2010 Memoranda of Agreements.</p>
Benefits	All existing contractual benefits in the 2007-2009 AEA MOAs will remain in effect for the term of the agreement
Commencement of Successor Negotiations	It is mutually agreed that to begin negotiations for a successor MOA, the first meeting of the parties will be held no later than twenty (20) calendar days after the City or AEA receives notice from the other, which may be any date after January 1, 2010. Changes would not go into effect until after the contract expires.

EVALUATION AND FOLLOW-UP

None.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This item meets Criterion 2. This memorandum will be posted on the City's website for the August 4, 2009, Council Agenda.

COORDINATION

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

COST IMPLICATIONS

There is no ongoing increased cost to these terms. These terms essentially "freeze" wages for employees represented by the Association of Engineers and Architects, Units 41/42 and 43.



Alex Gurza
Director of Employee Relations

For questions please contact Alex Gurza, Director of Employee Relations, at (408) 535-8150.

Attachments

**CITY OF SAN JOSE/ASSOCIATION OF ENGINEERS AND ARCHITECTS (UNIT 41/42)
2009 TENTATIVE AGREEMENT**

1. TERM AND GENERAL WAGE INCREASES

Term: July 1, 2009 – June 30, 2010

Wages: Maintain current salaries in effect as of June 30, 2009

2. RETIREE HEALTHCARE AGREEMENT

The agreement between the City and the Association of Engineers and Architects (Units 41/42 and 43), regarding retiree healthcare dated March 4, 2009, shall be modified as follows:

3.1.5 Healthcare Cost Mitigation.

3.1.5.1 Notwithstanding any other provision of this Agreement, the parties agree to commence meeting and conferring between January 1, ~~2010~~2011, and January 19, ~~2010~~2011, on retiree healthcare benefits for future employees and a medical reimbursement program for future retirees.

3.1.5.2 The parties intend to engage in the foregoing negotiations in a coalition bargaining process with all other interested represented bargaining units, if any. However, negotiations between the City and Employee Organization shall commence no later than January 19, ~~2010~~2011 with or without participation of any other bargaining unit. The City and Employee Organization shall negotiate in good faith in an effort to reach a mutual agreement.

3.1.5.3 If no agreement is reached, the parties will follow the impasse procedures set forth in the City of San Jose's Employer-Employee Relations Resolution (#39367) and the Meyers-Milias-Brown Act. The parties understand that this means that, notwithstanding any other provision of this agreement, 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. The City agrees that a unilateral implementation of retiree healthcare benefits for future employees shall not be effective before July 1, ~~2010~~2011.

All other provisions of the Agreement dated March 4, 2009 will remain in effect and unchanged. Upon ratification of the AEA membership and approval of this Agreement by the City Council, the parties agree to incorporate the revised retiree healthcare agreement into the 2009-2010 AEA Memorandum of Agreement (Unit 41 and 42).

3. BENEFITS

All existing contractual benefits in the AEA Memorandum of Agreement (Unit 41/42) will remain in effect for the term of this agreement.

**CITY OF SAN JOSE/ASSOCIATION OF ENGINEERS AND ARCHITECTS (UNIT 41/42)
2009 TENTATIVE AGREEMENT**

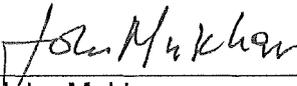
4. COMMENCEMENT OF SUCCESSOR NEGOTIATIONS

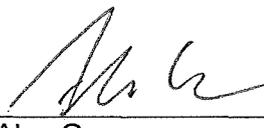
This contract expires on June 30, 2010. It is mutually agreed that to begin negotiations for a successor Memorandum of Agreement, the first meeting of the parties will be held no later than twenty (20) calendar days after the City or AEA receives notice from the other, which may be any date after January 1, 2010. Changes would not go into effect until after the contract expires.

This agreement is still considered tentative and shall not be considered final or binding until ratified by the membership 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 this tentative agreement.

FOR AEA:

FOR THE CITY OF SAN JOSE:

 6/30/09
Date
John Mukhar
AEA President

 7-1-09
Date
Alex Gurza
Director of Employee Relations

 4/30/09
Date
Nancy J. Ostrowski
IFPTE Local 21
Senior Representative

**CITY OF SAN JOSE/ASSOCIATION OF ENGINEERS AND ARCHITECTS (UNIT 43)
2009 TENTATIVE AGREEMENT**

1. TERM AND GENERAL WAGE INCREASES

Term: July 1, 2009 – June 30, 2010

Wages: Maintain current salaries in effect as of June 30, 2009

2. RETIREE HEALTHCARE AGREEMENT

The agreement between the City and the Association of Engineers and Architects (Units 41/42 and 43), regarding retiree healthcare dated March 4, 2009, shall be modified as follows:

3.1.5 Healthcare Cost Mitigation.

3.1.5.1 Notwithstanding any other provision of this Agreement, the parties agree to commence meeting and conferring between January 1, ~~2010~~2011, and January 19, ~~2010~~2011, on retiree healthcare benefits for future employees and a medical reimbursement program for future retirees.

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All other provisions of the Agreement dated March 4, 2009 will remain in effect and unchanged. Upon ratification of the AEA membership and approval of this Agreement by the City Council, the parties agree to incorporate the revised retiree healthcare agreement into the 2009-2010 AEA Memorandum of Agreement (Unit 43).

3. BENEFITS

All existing contractual benefits in the AEA Memorandum of Agreement (Unit 43) will remain in effect for the term of this agreement.

