

City Council Agenda Memo

From: Casey Bell, HR/Risk Manager; Jacob Meshke, Assistant City Manager; Susan Rotert, HR Director; Casey Bell, HR/Risk Manager

Council Meeting: November 23, 2021

Subject: 2022 - 2024 Teamster Local Union No. 120 City General Union Agreement

Presenter: Paul Briseno, City Manager

Summary:

Annually, the City and Union leadership meet and confer to develop an agreed contract which guides its members and City relationships. Teamsters Local Union No. 120 represents City General employees under this contract. The existing agreement covers two (2) years and will expire December 31, 2021. The new agreement will cover three (3) years from January 1, 2022 through December 31, 2024. Annual contract reopeners will include salaries.

Background:

City management meets annually with Union leadership to meet and confer and develop an agreement for the future. The City General employees are covered under a union agreement which expires December 31, 2021. Teamsters Local Union No. 120 represents City General employees under this contract. Historically, the City has opted for three-year agreements. Due to the fluctuation of sales tax, it's essential the City allows salaries as an annual opener to ensure expenses of increased pay does not out pace revenues.

Item Details:

A proposed contract was negotiated for January 1, 2022 to December 31, 2024. This three-year agreement allows wages as an open item. The City Manager, Assistant City Manager, and Human Resources Director worked with Union Stewards and the Teamsters Business Agent for the City General group through multiple meet and confer sessions to finalize the proposed agreement.

The proposed agreement is contained within the approved 2022 Budget. Sales Tax is the City's primary revenue source for salary increases. An agreement of a 1 - 4 % merit increase based on performance will be had for 2022. Employees that reach the max salary of their range will be eligible for a 1 - 4 % one-time payout based on performance.

The City General member group has accepted the proposed contract and City Council approval is needed to ratify the contract. This action will complete the process.

Legal Consideration:

There are no legal considerations at this time.

Strategic Plan Consideration:

Fiscal Responsibility – Negotiated items in Union Agreement fit within 2022 budget.

Service and Innovation Excellence – Negotiated items in Union Agreement streamline and improve upon operations and logistics within covered Departments.

Sustainability – Negotiated wages and benefits in Union Agreement are competitive within the labor market to retain and attract talent.

Financial Consideration:

The primary impact to the 2022 budget is contained within the approved budget. It's expected the potential increases outlined in the offer will be offset by the sales tax increase required to realize any merit or one time increases.

Options and Recommendation:

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Move the item to a study session
5. Discuss / take no action / table

City Staff recommends approval of the agreement.

Supporting Documentation:

Agreement – clean

Agreement – marked