TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DEPARTMENT: HUMAN RESOURCES

DATE: JULY 21, 2008

CMR: 314:08

SUBJECT: ADOPTION OF A RESOLUTION AMENDING THE 2006-2009 COMPENSATION PLAN FOR CLASSIFIED PERSONNEL (SEIU) ADOPTED BY RESOLUTION NO. 8658 TO REASSIGN FIFTEEN JOB CLASSIFICATIONS FROM THE MANAGEMENT AND PROFESSIONAL PERSONNEL GROUP TO THE SEIU UNIT AND CHANGE THE COMPENSATION FOR TWO EXISTING SEIU CLASSIFICATIONS

RECOMMENDATION

Staff recommends Council adoption of the attached resolution amending the 2006-2009 Compensation Plan for Service Employees International Union (SEIU), Local 521, to reassign fifteen classifications to the SEIU bargaining unit for the pay period effective June 21, 2008. This reassignment is required pursuant to a Stipulated Order and Award between the City and SEIU which resolved a longstanding grievance regarding the reassignment of certain job classifications from the Management and Professional employee group to the SEIU bargaining unit. The resolution also corrects the compensation for two Public Works positions that were inadvertently omitted from the last salary schedule change.

BACKGROUND

Service Employees International Union (SEIU), Local 521 filed a grievance several years ago claiming that the City of Palo Alto eliminated 45 job classifications involving 115 employees from their bargaining unit by creating new management or professional classifications outside of the SEIU unit. The issue was whether these job classifications in the Management and Professional unit would be more appropriately assigned to the SEIU bargaining unit based on the City’s Merit Rules and Regulations provisions which require the broadest possible grouping of positions that share a “community of interest,” as well as job duties historically performed by employees in each group. The remedy SEIU sought was to return the job classifications and work traditionally performed by SEIU back to that unit.
After many years of ongoing negotiations and grievance proceedings in which the City and SEIU were unable to reach agreement, the parties finally agreed in late 2007 to have the dispute heard by a mediator/arbitrator with extensive background in bargaining unit definition. The arbitrator hearing this case worked for many years as an administrative law judge for the Public Employee Relations Board and was well qualified to assess the parties’ positions and the classifications necessary to craft an appropriate and informed resolution. The parties spent three days in mediation with the arbitrator in February and March 2008 discussing the classifications and criteria and spent extensive time outside those proceedings reviewing and analyzing the details and duties of the classifications at issue.

**DISCUSSION**

A. Reassignments to SEIU

The arbitrator concluded that certain classifications are more appropriately classified in the SEIU unit and issued a stipulated order and award to which the City and SEIU mutually agreed. Effective with the pay period beginning June 21, 2008, the following 15 classifications involving approximately 31 employees shall be moved from the Management and Professional group to the SEIU unit:

- Business Analyst (except for one confidential position which shall be assigned to Human Resources and shall have the title “Human Resources Business Analyst”)
- Coordinator, Public Works Projects
- Coordinator, Utility Projects
- Coordinator, Utility Safety & Security
- Electric Project Engineer
- Management Assistant
- Managing Arborist (with the exception of one Supervising Arborist)
- Payroll Analyst
- Project Engineer (with the exception of one Supervising Project Engineer)
- Sr. Buyer
- Sr. Market Analyst
- Technologist
- Transportation Systems Management Coordinator
- Utility Key Account Representative
- Utility Market Analyst

Other provisions of the agreement include:
**Electric Project Engineer:** This classification currently has two Electric Project Engineer positions. Both positions will permanently remain in the Management, Professional and Confidential Unit and will be re-titled Supervising Electric Project Engineer. If a third (or further) Electric Project Engineer position(s) is/are authorized in the future, this/these additional Electric Project Engineer position(s) shall be assigned to the SEIU Unit.

**Sr. Technologist:** The City will conduct a desk audit of the job duties performed by the positions in the Sr. Technologist job classification. The desk audit will be completed within sixty (60) days of final execution of the agreement.

The arbitrator worked with the City and SEIU to ensure that the pay and benefits for these impacted employees would be minimally impacted. Employees being placed in the SEIU unit will now have the benefit and protections provided in the existing agreement between the City and SEIU such as pay increases, overtime pay, job security and access to the grievance procedure but; to minimize the impact to affected employees, they will also maintain, for as long as they remain in their current positions, their current salary level as well as most management benefits with the exception of management annual leave. New employees hired into these positions when vacancies occur will have only the SEIU benefits. The City and SEIU are working together to ensure a smooth transition for these affected employees.

**B. Changes to Compensation for Two Public Works Classifications**

In Fiscal Year 2006-07, six Motorized Equipment Mechanic positions in the Equipment Management division of Public Works were reclassed to Motorized Equipment Mechanic II to reflect a higher level of responsibility, certification requirements and skill level. The division also employs one Mobile Service Technician whose responsibilities include heavy equipment maintenance at the Landfill. Due to the Mobile Service Technician’s required skill level and experience the position’s hourly rate has historically been placed five percent (5 %) higher than the Motorized Equipment Mechanics. When the Motorized Equipment Mechanics were reclassed and the associated hourly rate was increased, the hourly rate of the Mobile Service Technician was inadvertently omitted from the salary schedule change, creating an inequity that is being rectified with this amendment. In addition, a correction is needed for an error made to the Motorized Equipment Mechanics – Lead who should be paid seven percent (7%) above Motorized Equipment Mechanics II and was incorrectly paid by approximately one-half percent (.5%).

**RESOURCE IMPACT**
Funds to cover the employee salary and benefit costs of this amendment to the SEIU Compensation Plan were previously included in the 2008-2009 Adopted Budget; therefore, no budget adjustment is required.

**POLICY IMPLICATIONS**

The action recommended by this report is consistent with City Council direction.

**ENVIRONMENTAL REVIEW**

This is not a project under the California Environmental Quality Act (CEQA).

**ATTACHMENTS**

Attachment A – Resolution Amending the 2006-2009 Compensation Plan for Classified Personnel (SEIU) Adopted by Resolution No. 8658 to Reassign Fifteen Classifications from the Management and Professional Personnel Group to the SEIU Unit and Change the Compensation for Two Existing SEIU Classifications

PREPARED BY: Sandra T.R. Blanch, Assistant Director, Human Resources

DEPARTMENT HEAD: __________________________________________________________________
RUSS CARLSEN
Director of Human Resources

CITY MANAGER APPROVAL: __________________________________________________________________
KELLY MORARIU/STEVE EMSLIE
Interim Deputy City Managers