



City Council Agenda

City of Campbell, 70 N. First Street, Campbell, California

NOTE: To protect our constituents, City officials, and City staff, the City requests all members of the public follow the guidance of the California Department of Health Services', and the County of Santa Clara Health Officer Order, to help control the spread of COVID-19. Additional information regarding COVID-19 is available on the City's website at www.campbellca.gov.

This Special Meeting of the City Council will be conducted via telecommunication and is compliant with provisions of the Brown Act and Assembly Bill 361 allowing a virtual meeting process for local jurisdictions under a declared state of emergency.

The following Councilmembers of the Campbell City Council are listed to permit them to appear electronically or telephonically at the Special Meeting of the City Council on October 20, 2021. Councilmember Anne Bybee, Councilwoman Susan M. Landry, Councilmember Sergio Lopez, Vice Mayor Paul Resnikoff and Mayor Elizabeth "Liz" Gibbons.

Members of the public may attend the meeting virtually. The City Council meeting will be live-streamed on Channel 26, the City's website and on YouTube <https://www.youtube.com/user/CityofCampbell>.

Those members of the public wishing to participate can access the meeting at: <https://campbellca.gov.zoom.us/j/82593933809> and Passcode: 346109. Please enter Meeting ID: 825 9393 3809 and Passcode: 346109

Public comment will also be accepted via email at ClerksOffice@campbellca.gov prior to the meeting. Please indicate in the subject line "FOR PUBLIC COMMENT." Written comments received by 12:00 p.m. on the day of the meeting will be posted on the website and distributed to the Council before the meeting.

SPECIAL MEETING OF THE CITY COUNCIL
Wednesday, October 20, 2021 – 3:00 p.m.
City Hall – 70 N. First Street

CALL TO ORDER

PUBLIC COMMENT

MOVE INTO CLOSED EXECUTIVE SESSION

- A. Personnel
- B. Litigation
- C. Real Property
- D. Labor Negotiations - Pursuant to G.C. Section 54957.6: Conference with Labor

Negotiator - Agency Designated Representatives: City Council, City Manager
Brian Loventhal
Employee Organizations: Campbell Municipal Employees Association (CMEA);
Campbell Police Civilian Employees Association (CPCEA); Campbell Peace
Officers' Association (CPOA); Carpenters; Management Employees; and
Confidential Employees

RECONVENE INTO OPEN SESSION

1. **Reportable Actions – Report out of Actions Taken in Executive Session**

PUBLIC HEARING AND INTRODUCTION OF ORDINANCES

NOTE: Members of the public may be allotted up to two (2) minutes to comment on any public hearing item. Applicants/Appellants and their representatives may be allotted up to a total of five (5) minutes for opening statements and up to a total of three (3) minutes maximum for closing statements. Items requested/recommended for continuance are subject to Council's consent at the meeting.

2. **Adopt a Resolution to Implement the City of Campbell's Last, Best and Final Offer to the Carpenters Union, Local 405. (Resolution/Roll Call Vote)**
Recommended Action: It is recommended that the City Council adopt a Resolution to implement the City's last, best and final offer to the bargaining unit represented by the Carpenters' Union, Local 405 ("Union").

ADJOURN

IMPORTANT NOTICE: Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packet are available for public inspection with the agenda packet in the lobby of City Clerk's Office, 70 N. First Street, Campbell, CA 95008, during normal business hours. These materials will also be available on the City website at <https://www.ci.campbell.ca.us/agendacenter> with the agenda packet following the last item of the agenda, subject to staff's ability to post the documents prior to the meeting. All documents not posted prior to the meeting will be posted the next business day.

In compliance with the Americans with Disabilities Act, listening assistive devices are available for all meetings held in the City Council Chambers. If you require accommodation, please contact the City Clerk's Office, (408) 866-2117, at least one week in advance of the meeting.



*City
Council
Report*

Item: 2
Category: PUBLIC HEARINGS AND
INTRODUCTION OF
ORDINANCES
Meeting Date: October 20, 2021

TITLE: Adopt a Resolution to Implement the City of Campbell's Last, Best and Final Offer to Carpenters Union, Local 405 (Resolution/Roll Call Vote)

RECOMMENDED ACTION

It is recommended that the City Council adopt a Resolution to implement the City's last, best and final offer to the bargaining unit represented by the Carpenters' Union, Local 405 ("Union").

DISCUSSION

City representatives met and conferred with the Carpenter's Union, Local 405 (Union) for a successor labor agreement from February 2021 through September 2021. For these negotiations the Council initially approved the following terms:

- Term: One year, through 6/30/22.
- Salary and benefits: Status quo for the term of the agreement, except for changes to the City's medical plan.
- Revise City's medical plan to reduce annual costs and bring the plan into compliance with federal law.
- Overtime: Revise overtime calculation method to comply with federal law. Provide for back overtime through a negotiated settlement agreement with each of the units.

Following a series of meetings, on June 24, 2021, the Union submitted a counter-proposal, by which it asked for a two year term, a 4% salary increase the first year and a cost of living adjustment for the second year tied to the consumer price index, with a floor of 2.5% and a ceiling of 4%. Also, the Union asked for two salary adjustments in the second year of the contract tied to a total compensation analysis that would position bargaining unit wages at number 3 in relation to the comparable cities. On the proposed medical plan changes, the Union countered the City proposal by asking for medical premium contributions and an opt out amount substantially higher than the City's proposal. Given the disparity between the parties' respective proposals, on August 9, 2021, the City's negotiators initiated the impasse process under City Resolution 6647. The Union disputed that the parties were at impasse and indicated it would be submitting a formal counter-proposal to the City's last offer.

On August 11, 2021, the Union submitted its fifth bargaining proposal, showing no material change from its June 25 proposal and the parties remained at impasse. On September 16, 2021, the City provided the Union with the City's *last best and final offer* in which it increased the medical insurance opt-out amount to \$750 to bring it in line with the City's offer to the other units. The terms of the City's last, best and final offer are as follows:

- Term: One year, through 6/30/22.
- Salary: 3% increase, effective first full pay period following Council adoption.
- Medical Plan: Changes to Cafeteria Plan as presented by the City's proposal to the other units.
- Overtime: Revise contract language to bring it into compliance with federal law.
- Use of Volunteers: Revise contract language to provide for 30 days advance notice prior to utilizing volunteers as authorized by the labor agreement.
- Uniform Allowance: Increase annual allowance by \$50.00.

Despite numerous invitations for an immediate response to its last, best and final offer, the City did not receive a substantive response from the Union until October 5, 2021. The terms of the Union's latest offer are as follows:

- Term: One year, through 6/30/22.
- Salary: 3% effective the first full pay period of July, 2021.
- Health and Welfare Benefits: Agree to the City's proposal.
- Overtime: Agree to the City's proposal.
- Use of Volunteers: Agree to the City's proposal offering 30 day notice.
- Uniform Allowance: Agree to City proposal to increase annual amount by \$50.00.
- Additional Salary Increase: Increase salary based on market survey, effective first pay period, January 2022, to bring bargaining unit to number 3 in relation to the comparable cities.

As the Union's offer remains substantially above the City's last, best and final offer, and as all required steps of the impasse process have been exhausted and/or waived, Staff recommends that the Council exercise its authority under Government Code section 3505.7 to unilaterally implement the provisions of the City's last, best and final offer.

FISCAL IMPACT

The cost of a 3% salary increase for the Carpenters' group is estimated to be approximately \$46,000 in FY 2022 (effective pay period starting November 1, 2021) and this will be an ongoing full year annual cost of \$66,000 in future fiscal years. However, based upon the manner in which the healthcare plan is to be restructured, there is also estimated to be an approximately \$121,000 cost savings to the City for the Carpenters' group for half the year in FY 2022 and an ongoing full year annual savings of \$242,000 starting in FY 2023. Thus, the net savings of the agreement with the Carpenters' group is approximately \$75,000 in FY 2022 and \$176,000 ongoing starting in FY 2023. In

addition, there will be nominal costs of approximately \$1,100 annually for increased uniform allowances for the entire group. Once tentative agreements have been reached with all bargaining units, staff will return to Council requesting authorization to implement budget adjustments in FY 2022 and to revise the City's comprehensive published Salary Schedule for all affected job classifications. At this time, staff is not requesting an adjustment to the budget or a modification of the City's comprehensive published Salary Schedule.

ALTERNATIVES

1. Do not approve the attached resolution.
2. Provide other direction to staff

Prepared by:



Salina Flores, Acting Human Resources
Manager

Approved by:



Brian Loventhal, City Manager

Attachment:

- a. Carpenters Resolution
- b. Attachment A to Carpenters Resolution

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL
AMENDING THE COMPENSATION AND WORKING CONDITIONS FOR
CLASSIFIED AND NON-MANAGEMENT EMPLOYEES REPRESENTED BY
CARPENTERS UNION, LOCAL 405**

WHEREAS, Title 2, Section 2.12.030(7) of the Campbell Municipal Code requires the City Manager to prepare and submit an annual salary plan to the City Council for its approval; and

WHEREAS, A Memorandum of Understanding (“MOU”) for salaries, benefits and working conditions was approved and executed by the authorized representatives of the City and the Carpenters Union, Local 405 (“Union”); and

WHEREAS, the City and the Union commenced negotiations for a successor MOU on April 15, 2021; and

WHEREAS, on August 9, 2021, the City declared and notified the Union that the parties’ negotiations had reached impasse as defined by City Resolution 6647; and

WHEREAS, on August 20, 2021, the parties conducted an impasse meeting in accordance with City Resolution 6647 but did not resolve the impasse issues; and

WHEREAS, as of September 10, 2021, all applicable mediation and factfinding procedures pertaining to the parties’ impasse had been exhausted and/or waived by the parties; and

WHEREAS, on September 16, 2021, the City issued to the Union the City’s last, best and final offer, a copy of which is attached to this Resolution as Attachment A; and

WHEREAS, on October 5, 2021, the Union responded to the City’s last, best and final offer with proposed terms and conditions that substantially exceed the City’s offer; and

WHEREAS, the City Council is authorized under California Government Code section 3505.7 to implement the provisions of the City’s last, best and final offer.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Campbell does hereby approve and implement the provisions of the City’s Last, Best and Final Offer, set forth in Attachment A, attached hereto and made a part hereof.

PASSED AND ADOPTED this _____ day of October, 2021, by the following roll call vote.

AYES: Councilmembers:
NOES: Councilmembers:
ABSENT: Councilmembers:

Attachment: Carpenters Resolution (Adopt a Resolution to Implement the City of Campbell’s Last, Best & Final Offer to Carpenters Union)

APPROVED:

Elizabeth "Liz" Gibbons, Mayor

ATTEST:

Dusty Christopherson, City Clerk

ATTACHMENT A TO CITY COUNCIL RESOLUTION NO.-----

City of Campbell and Carpenters Union, Local 405 – 2021 Labor Negotiations -

City's Last, Best and Final Offer:

1. Salary: 3% salary increase effective the first pay period following Council adoption of the terms of this last, best and final offer.
2. Health and Welfare Benefits: Revise the parties' MOU, Article IV – Compensation, Section D. Health and Welfare Benefits, as follows: Health and Welfare Benefit Program

Medical Insurance Benefit:

The City's maximum monthly contribution for each eligible bargaining unit member for the purchase of medical insurance will be equal to the minimum monthly employer contribution required under the Public Employees Medical and Hospital Care Act (PEMHCA). The City's contribution will come out of the amount the City currently contributes to employees as part of the Cafeteria Plan Allowance, provided below. The cost of the City's participation in CalPERS will not require the City to expend additional funds toward health insurance beyond what is already provided through the Cafeteria Plan Allowance. Any cost increase to the minimum monthly employer contribution required under PEMCHA will be borne by employees.

1. Cafeteria Plan Allowance

Bargaining unit members electing medical coverage in the City's plans will receive a health flex allowance and shall purchase such coverage through the City's Cafeteria Plan.

Effective January 1, 2022, the monthly Cafeteria Plan Allowance will be based on selected level of coverage, as follows:

Employee Only Coverage: \$879

Employee Plus One Coverage: \$1,757

Employee Plus Family: \$2,285

Employees who elect a medical insurance plan with a lower monthly premium than the amount of the City's medical contribution may apply their unused contribution amount toward other benefit options that are available under the Cafeteria Plan, such as flexible spending accounts for out-of-pocket medical expenses and dependent care, accident insurance, cancer insurance, heart and stroke insurance, long term care insurance, and life insurance benefits.

Employees who do not spend all their Cafeteria Plan Allowance on Cafeteria Plan benefits will not receive any cash benefit.

Employees who elect Cafeteria Plan benefit options that exceed the City's monthly Cafeteria Plan Allowance will be responsible for paying the overage through salary redirections.

2. **Conditional Opt-Out**

Employees who at initial enrollment or during the annual open enrollment period, complete an affidavit and provide proof of other minimum essential coverage for themselves and their qualified dependents (tax family) that is not qualified health plan coverage under an

exchange/marketplace or an individual plan, will be allowed to waive medical coverage for themselves and their qualified dependents (tax family). The monthly conditional opt-out incentive is: **\$750**.

The conditional opt-out incentive shall be paid in cash (taxable income) to the employee. The employee must notify the City within 30 days of the loss of other minimum essential coverage. The conditional opt-out payment shall no longer be payable, if the employee and family members cease to be enrolled in other minimum essential coverage.

3. **Overtime:** Revise the parties' MOU, Article IV, Section N. as follows:
"5.[new] In addition to the requirements of Article N., overtime for bargaining unit members will be paid in accordance with all applicable requirements of the Federal law, known as the Fair Labor Standards Act ("FLSA")."
4. **Temporary Employees:** The City will provide to the Union 30 days advance notice prior to utilizing temporary employees in the manner authorized by the parties' MOU.
5. **Uniform Allowance:** The annual uniform allowance for the bargaining unit is increased by the amount of \$50.00.

Except as modified by the express provisions of the City's last, best and final offer herein, all existing terms and conditions of employment provided by the parties' MOU will remain in effect unless and until changed by a successor bargaining agreement or through the statutorily required impasse process.