SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors **AGENDA NO. V-A**

FROM: Ed Fortner, General Manager

Meeting Date: July 2, 2020

SUBJECT: APPROVAL OF RESOLUTION 20-15 APPROVING A MEMORANDUM OF UNDERSTANDING (MOU) WITH INTERNATIONAL UNION OF OPERATING ENGINEERS, STATIONARY LOCAL 39

RECOMMENDED ACTION: Approve Resolution 20-15 which approves an MOU with the International Union of Operating Engineers, Stationary Local 39.

FISCAL IMPACT: Approximately $152,000 for wages and $90,000 for health benefits for the full five years of the agreement**.**

DISCUSSION:

International Union of Operating Engineers, Stationary Local 39 (Union) represents 6 District employees, including Maintenance Workers and Account Clerks. The current MOU with the Union expires on June 30, 2020. District staff have been negotiating with Union representatives since February 2020 on revising the MOU. These negotiations have been completed with the following major changes:

- The MOU runs through June 2025 (five years).
- A salary schedule has been approved with a 3% increase each year in salaries for Fiscal Year 2020-2021 through Fiscal Year 2024-2025.
- District contribution for healthcare benefits have a 5% annual increase each year of the five-year contract.
- The Boot allowance is raised to $240 effective July 1, 2020 and will increase $5 each year of the agreement.
- The Grievance Section adds mediation as an alternative option (already has binding arbitration).
- Other changes to the MOU have been made that incorporate earlier agreed-upon side letters with the Union.

The MOU was negotiated in good faith with District staff and a Union representative. It is a five-year agreement that works well for the staff represented by the Union, staff not represented by the Union, and the District. I recommend approval.