



Request for Council Action

TO: Mayor and City Council
FROM: Tim Murray, City Administrator
MEETING DATE: May 25, 2021
SUBJECT: Approve Memorandum of Understanding with
IUOE Local No. 70

Background:

The City Council has indicated a willingness to allow a 2021 trial period of a "summer hours" work schedule for some City employees in the upcoming months. In order to allow this, the collective bargaining agreement for IUOE Local No. 70 needs to be amended. A memorandum of understanding (MoU) has been drafted that documents the necessary revisions. While the Council would be approving the MoU now, it would only go into effect after Local 70 would similarly approve it and execute the document. Until such time, a "summer hours" schedule will not be able to be considered.

Recommendation:

Approve Memorandum of Understanding with IUOE Local No. 70

Attachments:

- Memorandum of Understanding

MEMORANDUM OF UNDERSTANDING

WHEREAS, the International Union of Operating Engineers, Local No. 70 (“Union”) and the City of Faribault (“the City”) are parties to a collective bargaining agreement for the time period of January 1, 2019 through December 31, 2021 (“Collective Bargaining Agreement”); and

WHEREAS, the City retains all of its management rights as acknowledged by the Union in Article 4 of the Collective Bargaining Agreement as well as in Minn. Stat. § 179A.07, subd. 1; and

WHEREAS, Article 14.1 of the Collective Bargaining Agreement describes the standard work week as consisting of forty (40) hours composed of five (5) consecutive eight (8) hour days, Monday through Friday and the standard work day consisting of eight (8) consecutive hours between 12:01 a.m. and midnight; and

WHEREAS, the parties wish to retain the 40 hours as the standard work week but do not want to restrain the City’s management rights by limiting work schedules to the description of the standard work week and standard work day in Article 14.1 of the Collective Bargaining Agreement; and

WHEREAS, both the City and the Union wish to implement alternative work schedules during the summer which would retain the standard 40 hour work week but change the hours for the standard work day in order for affected employees to get off work early on Fridays.

NOW, THEREFORE, the City and the Union agree as follows:

1. Article 14.1 of the Collective Bargaining Agreement will be replaced with the following:

14.1 Work Week/Day

The standard work week for all full-time employees will consist of forty (40) hours per week. This shall not be construed as a guarantee to any employee of any minimum hours of work per week, or as a limit of the number of hours that the City may require or schedule as conditions necessitate.

The standard work schedule will generally consist of five (5) consecutive eight (8) hour days, Monday through Friday, except when otherwise required in a six or seven day operation. The City may alter the standard daily work schedule for employees by increasing or decreasing the hours to be worked each day but must provide the employee with seven (7) days advance notice of the change.

14.2 Rest Breaks

Each employee shall receive one (1) fifteen minute rest break with pay for each four hours of work performed and one (1) lunch break without pay during any work shift exceeding eight (8) hours.

14.3 Overtime – Compensatory Time

The City has the right to schedule overtime work as required in a manner most advantageous to the City and consistent with the requirements of municipal employment and the public interest. All work required by the City in excess of the number of hours in the standard work week or in excess of the employee's scheduled work day shall be considered overtime. All overtime shall be compensated at the rate of one and one-half (1½) times the hourly rate of the employee. The City will attempt to equally distribute overtime among employees in the same position.

[The second paragraph of Article 14.3 remains unchanged from the existing Collective Bargaining Agreement]

2. Article 17.2 of the Collective Bargaining Agreement will be replaced with the following:

17.2 Holiday Pay

Employees shall be granted each of the designated holidays off without loss of pay. Employees shall be compensated in an amount equal to the number of hours that the employee would have worked if it were not a holiday. Similarly, the floating holiday will be calculated and paid to the employee based on the scheduled number of hours that the he or she is scheduled to work on the day the floating holiday is taken by the employee. If an employee is required to work on a holiday as part of the standard work week, he/she will receive time and one-half their normal rate of compensation for all hours worked. Any employee required to work on a holiday, outside their standard work week, shall receive compensation in accordance with the overtime provision of this Agreement.

3. The parties do hereby acknowledge and agree that the changes approved under this Memorandum of Understanding are being made to allow for consideration of a modified work schedule for the dates of June 7, 2021 to August 27, 2021 (the "Trial Period"). There is no guarantee nor should there be any expectation that this consideration will continue following this Trial Period, and the City retains management rights to determine which employees will be allowed to work a modified schedule, what that schedule will be, and whether or not the modified schedule will continue to the end of the Trial Period or be discontinued at a prior date. Any other arrangements or changes to the Collective Bargaining Agreement between the City and Union shall be negotiated and/or changed through further Memoranda of Understanding.

[THE REST OF THIS PAGE IS INTENTIONALLY BLANK]

[SIGNATURE PAGE TO FOLLOW]

CITY OF FARIBAULT, MINNEOSTA
A Municipal Corporation

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL NO. 70

By _____
Mayor

By _____
Business Manager

By _____
City Administrator

By _____
President

Dated: _____, 2021

By _____
Business Agent

By _____
Steward

By _____
Steward

By _____
Steward

By _____
Steward

By _____
Steward

By _____
Steward

By _____
Secretary

Dated: _____, 2021

