

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
3	01/22/18	Open	Action	01/09/18

Subject: Approving the Extension of the Collective Bargaining Agreement between Sacramento Regional Transit District and International Brotherhood of Electrical Workers for the Two-Year Term of April 1, 2018 through March 31, 2020

ISSUE

Whether to approve the terms for an extension of the Collective Bargaining Agreement (CBA) between Sacramento Regional Transit District (SacRT) and International Brotherhood of Electrical Workers, Local 1245 (IBEW 1245) for the two-year term of April 1, 2018, through March 31, 2020.

RECOMMENDED ACTION

Adopt Resolution No. 18-01- ____, Approving Terms for Extension of Labor Contract Between Sacramento Regional Transit District (SacRT) and International Brotherhood of Electrical Workers, Local 1245, for the Two-Year Term of April 1, 2018, through March 31, 2020.

FISCAL IMPACT

Budgeted:	Yes	FY18 (3 mos.):	\$	152,117
Budget Source:	Operating	FY19 (12 mos.):	\$	180,083
		FY20 (9 mos.):	\$	41,870
		Total Amount:	\$	374,071

DISCUSSION

The negotiating committees for SacRT and IBEW 1245 met on December 4, 2017, and again on December 19, 2017, for the purposes of discussing a proposed two-year extension of the Collective Bargaining Agreement (CBA) scheduled to expire March 31, 2018. A tentative agreement was reached on December 19, 2017, on the terms for the contract extension through March 31, 2020.

The contract extension will retain and extend most provisions of the contract without modification. The limited changes agreed upon were reduced to writing and agreed to in a Tentative Agreement. The negotiating committees for SacRT and IBEW 1245 endorse and recommend ratification and approval of the stated terms as a full and complete settlement of all issues raised during negotiations. SacRT employees represented by IBEW ratified the settlement terms in an election held on January 12, 2018.

In summary, the contract extension covers a two-year period from April 1, 2018, through March 31, 2020.

Approved:

Presented:

Final 01/16/18

General Manager/CEO

Director, Labor Relations

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3	01/22/18	Open	Action	01/09/18

Subject: Approving the Extension of the Collective Bargaining Agreement between Sacramento Regional Transit District and International Brotherhood of Electrical Workers for the Two-Year Term of April 1, 2018 through March 31, 2020

All hourly wage rates, including applicable wage progression steps will be increased by 3% annually effective April 1, 2018, and April 1, 2019. This increase is approximately 2% less than the prior contract rate increase.

The retirement contributions and benefits for employees hired in relation to “new business,” as defined in the CBA, will be limited to a 3% employer contribution to a deferred compensation plan. Such employees will not be eligible to enroll in the defined benefit retirement plan.

Employees hired on or after April 1, 2018, in positions not related to “new business” will have a one-time, irrevocable option at time of hire to either enroll in the defined benefit retirement plan, subject to the provisions of the California Public Employees’ Pension Reform Act (PEPRA), or in lieu of retirement plan enrollment, accept a 5% employer contribution to a deferred compensation plan. Employees who fail to make an election will default into the IBEW Defined Benefit Plan, as modified by PEPRA.

The term of the contract is extended through March 31, 2020.

All other provisions of the current CBA continue in full force and effect through the period of the extension.

Staff recommends approval of the settlement terms and conditions for the contract extension and Retirement Plan between SacRT and IBEW 1245 to be effective April 1, 2018, and authorize the General Manager/CEO to execute the final extension Agreement and any required Retirement Plan Amendments.

RESOLUTION NO. 18-01-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

January 22, 2018

**APPROVING TERMS FOR EXTENSION OF LABOR CONTRACT BETWEEN
SACRAMENTO REGIONAL TRANSIT DISTRICT AND INTERNATIONAL
BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 1245, FOR THE TWO-YEAR
TERM OF APRIL 1, 2018, THROUGH MARCH 31, 2020**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE
SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the labor contract settlement terms attached hereto as Exhibit A, between Sacramento Regional Transit District (SacRT) and the International Brotherhood of Electrical Workers, Local 1245 (IBEW 1245), establishing compensation, benefits, retirement provisions and other terms and conditions of employment for employees represented by IBEW 1245, is hereby approved.

THAT, the General Manager/CEO is hereby authorized to bind SacRT to a Collective Bargaining Agreement (CBA) extension with IBEW 1245, whereby the existing CBA, including the Retirement Plan, is amended to provide for the changes to compensation, benefits, retirement provisions and other terms and conditions of employment, as set forth in the Tentative Agreement of the parties.

THAT, the General Manager/CEO is hereby authorized to execute the CBA extension and the necessary Retirement Plan amendment(s) on behalf of SacRT and to implement its terms.

ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary

AGREEMENT TO EXTEND CBA

This Agreement is by and between the International Brotherhood of Electrical Workers, Local Union 1245, hereinafter "IBEW", and Sacramento Regional Transit District, hereinafter "SACRT".

WHEREAS, IBEW and SACRT are parties to a Collective Bargaining Agreement (CBA) for the term of April 1, 2014, through March 31, 2018, and

WHEREAS, IBEW and SACRT have met in collective bargaining for the purpose of discussing, revising and extending the terms and conditions of the Agreement for an additional period of time, and

WHEREAS, the CBA is set to expire on March 31, 2018, and

WHEREAS, the parties desire to extend the term of the current Agreement with minimal revisions.

NOW, THEREFORE, IBEW and SACRT hereby agree as follows:

THAT, except for those provisions identified as modified herein below, the Agreement set to expire at midnight, March 31, 2018, shall continue in full force and effect through midnight, March 31, 2020:

Article 10: Wage Rates and Classifications

Amended as per attached.

Article 14: Retirement Plan

Amended as per attached.

Article 36: Term

Amended as per attached.

Any provisions of the contract that are not modified by this Agreement shall remain in full force and effect for the duration specified herein.

IN WITNESS WHEREOF, the parties hereby execute this extension of the Collective Bargaining Agreement in Sacramento, California, this ____ day of December 2017.

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TA *[Signature]*
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AGREEMENT TO EXTEND CBA

FOR THE SACRAMENTO
REGIONAL TRANSIT DISTRICT:

Henry Li
General Manager/CEO

Suzanne Chan
VP, Administration

Stephen Booth
Director, Labor Relations

John Darragh
Director, Light Rail

Albert Kennedy
Director, Bus Maintenance

Jeff Anderson
Facilities Superintendent

Patrick Murphy
Senior Labor Relations Analyst

FOR THE INTERNATIONAL
BROTHERHOOD OF ELECTRICAL
WORKERS:

Tom Dalzell
Business Manager, IBEW Local 1245

Sheila Lawton
Business Representative, IBEW Local 1245

Constance Bibbs
Shop Steward

Douglas Lusk
Shop Steward

Jeff James
Shop Steward

Ron Hoff
Shop Steward

Matthew Wade
Shop Steward

SACRAMENTO REGIONAL TRANSIT
MANAGEMENT PROPOSAL

RT-IBEW NEGOTIATIONS
DECEMBER 2017

SacRT Management proposes the following modifications to Sections 10.1 and 10.2 of the Agreement:

SECTION 10.1 - WAGE RATES

a. Effective April 1, 2014:

1. Hourly Wage Increase – Hourly wage rates for all covered job classifications will be increased on the dates and in the amounts as follows:

4/1/14	10/1/14	4/1/15	4/1/16	4/1/17
1.5%	1.5%	3.25%	3.50%	3.75%

2. Lump Sum Payment – Effective as soon as practicable following ratification and Board adoption of the terms of this settlement, all employees on the payroll on April 1, 2014 will be eligible to receive a lump sum payment of \$1000.

3. Journey Level Job Classification Equity Pay Rate Adjustment – Effective April 1, 2014 and occurring on the dates indicated, an equity adjustment increase will be applied to the hourly rates of Journey Level Job Classifications, as follows. These increases will be in addition to the hourly wage increases indicated above. These equity rate increases are applicable to the following job classifications: Electronic Mechanic, Painter, Mechanic–A, Mechanic–A (Body/Fender), Mechanic-A (Gasoline/Propane), Senior Mechanic, Facilities Electronic Technician, Facilities Maintenance Mechanic, Light Rail Vehicle Technician, Journey Lineworker, Lineworker Technician, Rail Maintenance Worker and Senior Rail Maintenance Worker.

10/1/14	4/1/15	4/1/16	4/1/17
2.0%	1.75%	1.5%	1.25%

b. Effective April 1, 2018, hourly wage rates for all covered job classifications will be increased by 3.0%.

c. Effective April 1, 2019, hourly wage rates for all covered job classifications will be increased by 3.0%.

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SECTION 10.2 - JOB CLASSIFICATION RATES OF PAY

a. New-Hire Wage Progression Schedule

1. An employee hired into one of the below listed job classifications shall begin the new-hire wage progression at 80% of the top hourly rate of pay for the employee's job classification. Thereafter, the employee shall progress to the top hourly rate of pay for the job classification based upon demonstration of his or her job proficiency. Evaluation of proficiency and ability shall be made by the District and/or Joint Labor- Management Training Committee. The total duration of the wage progression shall not exceed six (6) months for a full journey-level employee or a maximum of three (3) years for a journey-level trainee (see Attachment 2).

Job Classifications:

Journey Lineworker	Electronic Mechanic
Lineworker Technician	Senior Mechanic
LR Vehicle Technician	Facilities Maintenance Mechanic
Painter	Facilities Electronic Technician
Mechanic A	Rail Maintenance Worker
Mechanic A (Gas/Propane)	Senior Rail Maintenance Worker
Mechanic A (Body/Fender)	

2. All Other Classifications:

Effective April 1, 2014, an employee employed in a job classification covered by this Agreement not listed above, shall be paid a percentage of the top hourly rate of pay for the job classification, based upon his or her length of employment from his or her most recent date of hire, as follows:

<u>Length of Employment</u>	<u>Percentage of Job Classification Top Hourly Rate</u>
First 12 months	80%
Second 12 months	90%
Thereafter	100%

- b. Should an employee be awarded a new job before completing the full progression schedule, the percentage level attained at the time of the job change shall be carried forward and applied to the top hourly rate of his or her new job classification.

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c. Hourly Wage Table

	Effective 04/01/14	Effective 10/1/14	Effective 4/1/15	Effective 4/1/16	Effective 4/1/17
Bus Maintenance					
Bus Service Worker 1 st 6 (*)	\$18.43	\$18.71	\$19.32	\$20.00	\$20.75
Thereafter	\$19.70	\$20.00	\$20.65	\$21.37	\$22.17
Electronic Mechanic	\$27.99	\$28.98	\$30.45	\$31.99	\$33.60
Mechanic A	\$27.19	\$28.15	\$29.57	\$31.06	\$32.63
Mechanic A (Body/Fender)	\$27.19	\$28.15	\$29.57	\$31.06	\$32.63
Mechanic A (Gasoline/Propane)	\$27.19	\$28.15	\$29.57	\$31.06	\$32.63
Mechanic B 1 st 6 (*)	\$23.09	\$23.44	\$24.20	\$25.05	\$25.99
Thereafter	\$24.46	\$24.83	\$25.64	\$26.54	\$27.54
Mechanic C 1 st 6 (*)	\$20.38	\$20.69	\$21.36	\$22.11	\$22.94
Thereafter	\$21.73	\$22.06	\$22.78	\$23.58	\$24.46
Painter	\$27.19	\$28.15	\$29.57	\$31.06	\$32.63
Senior Mechanic	\$28.53	\$29.54	\$31.04	\$32.61	\$34.26
Upholsterer	\$21.73	\$22.06	\$22.78	\$23.58	\$24.46
Facilities Maintenance					
Facilities and Grounds Worker I 1 st 6 (*)	\$18.43	\$18.71	\$19.32	\$20.00	\$20.75
Thereafter	\$19.70	\$20.00	\$20.65	\$21.37	\$22.17
Facilities and Grounds Worker II 1 st 6 (*)	\$21.73	\$22.06	\$22.78	\$23.58	\$24.46
Thereafter	\$23.09	\$23.44	\$24.20	\$25.05	\$25.99
Facilities Electronic Technician	\$27.99	\$28.98	\$30.45	\$31.99	\$33.60
Facilities Maintenance Mechanic	\$27.19	\$28.15	\$29.57	\$31.06	\$32.63
Facilities Service Worker 1 st 6 (*)	\$16.10	\$16.34	\$16.87	\$17.46	\$18.11
Thereafter	\$17.20	\$17.46	\$18.03	\$18.66	\$19.36

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	Effective 04/01/14	Effective 10/1/14	Effective 4/1/15	Effective 4/1/16	Effective 4/1/17
Light Rail Maintenance					
Light Rail Assistant Mechanic	\$21.73	\$22.06	\$22.78	\$23.58	\$24.46
Light Rail Service Worker 1 st 6 (*)	\$18.43	\$18.71	\$19.32	\$20.00	\$20.75
Thereafter	\$19.70	\$20.00	\$20.65	\$21.37	\$22.17
Light Rail Vehicle Technician	\$27.99	\$28.98	\$30.45	\$31.99	\$33.60
Procurement					
Storekeeper 1st 6 (*)	\$23.09	\$23.44	\$24.20	\$25.05	\$25.99
Thereafter	\$24.46	\$24.83	\$25.64	\$26.54	\$27.54
Wayside					
Lineworker Training Program Progression (**)	\$31.23	\$32.33	\$33.97	\$35.69	\$37.50
Journey Lineworker	\$31.23	\$32.33	\$33.97	\$35.69	\$37.50
Lineworker Technician	\$35.92	\$37.19	\$39.07	\$41.05	\$43.12
Rail Laborer 1 st 6 (*)	\$19.54	\$19.83	\$20.47	\$21.19	\$21.98
Thereafter	\$21.73	\$22.06	\$22.78	\$23.58	\$24.46
Rail Maintenance Worker	\$25.82	\$26.74	\$28.09	\$29.51	\$31.00
Senior Rail Maintenance Worker	\$27.11	\$28.06	\$29.48	\$30.97	\$32.54

(*) Applies to an employee who has completed his or her wage progression (Paragraph a., above) and is moving into this classification.

(**) Lineworker top rate is upon completion of a four year Training Program beginning at 80% of the Journey Lineworker rate. Thereafter the rate is increased to 85%, 90%, and 95% over a maximum of 48 months in the Training Program.

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- d. After completing ones new-hire pay progression, an employee awarded a new job in a classification with an equal or lower pay rate will be paid the top rate for the new classification. An employee awarded a new job in a classification with a lower top hourly rate of pay shall be compensated at the lower top rate of pay. An employee not having completed his or her new-hire progression shall be compensated pursuant to Section 10.2b.

An employee may not move into a new permanent job while working in his or her new- hire probationary period. (Refer to Article 7, Section 7.4e)

- e. Hourly Wage Table – The following wage table reflects hourly wage rates effective April 1, 2018, and April 1, 2019, pursuant to section 10.1 (b) and (c) above.

<u>Hourly Grade Table</u>	<u>Effective</u>	<u>Effective</u>
<u>3.0%</u>	<u>4/1/18</u>	<u>4/1/19</u>
<u>Bus Maintenance</u>		
<u>Bus Service Worker</u>		
<u>1st 6 (*)</u>	<u>\$21.37</u>	<u>\$22.01</u>
<u>Thereafter</u>	<u>\$22.84</u>	<u>\$23.52</u>
<u>Electronic Mechanic</u>	<u>\$34.61</u>	<u>\$35.65</u>
<u>Mechanic A</u>	<u>\$33.61</u>	<u>\$34.62</u>
<u>Mechanic A (Body/Fender)</u>	<u>\$33.61</u>	<u>\$34.62</u>
<u>Mechanic A (Gasoline/Propane)</u>	<u>\$33.61</u>	<u>\$34.62</u>
<u>Mechanic B</u>		
<u>1st 6 (*)</u>	<u>\$26.77</u>	<u>\$27.57</u>
<u>Thereafter</u>	<u>\$28.37</u>	<u>\$29.22</u>
<u>Mechanic C</u>		
<u>1st 6 (*)</u>	<u>\$23.63</u>	<u>\$24.34</u>
<u>Thereafter</u>	<u>\$25.19</u>	<u>\$25.95</u>
<u>Painter</u>	<u>\$33.61</u>	<u>\$34.62</u>
<u>Senior Mechanic</u>	<u>\$35.29</u>	<u>\$36.35</u>
<u>Storekeeper</u>		
<u>1st 6 (*)</u>	<u>\$26.77</u>	<u>\$27.57</u>
<u>Thereafter</u>	<u>\$28.37</u>	<u>\$29.22</u>
<u>Upholsterer</u>	<u>\$25.19</u>	<u>\$25.95</u>

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	<u>Effective</u> <u>4/1/18</u>	<u>Effective</u> <u>4/1/19</u>
<u>Facilities Maintenance</u>		
<u>Facilities and Grounds Worker I</u>		
<u>1st 6 (*)</u>	<u>\$21.37</u>	<u>\$22.01</u>
<u>Thereafter</u>	<u>\$22.84</u>	<u>\$23.52</u>
<u>Facilities and Grounds Worker II</u>		
<u>1st 6 (*)</u>	<u>\$25.19</u>	<u>\$25.95</u>
<u>Thereafter</u>	<u>\$26.77</u>	<u>\$27.57</u>
<u>Facilities Electronic Technician</u>	<u>\$34.61</u>	<u>\$35.65</u>
<u>Facilities Maintenance Mechanic</u>	<u>\$33.61</u>	<u>\$34.62</u>
<u>Facilities Service Worker</u>		
<u>1st 6 (*)</u>	<u>\$18.65</u>	<u>\$19.21</u>
<u>Thereafter</u>	<u>\$19.94</u>	<u>\$20.54</u>

	<u>Effective</u> <u>4/1/18</u>	<u>Effective</u> <u>4/1/19</u>
<u>Light Rail Maintenance</u>		
<u>Light Rail Assistant Mechanic</u>	<u>\$25.19</u>	<u>\$25.95</u>
<u>Light Rail Service Worker</u>		
<u>1st 6 (*)</u>	<u>\$21.37</u>	<u>\$22.01</u>
<u>Thereafter</u>	<u>\$22.84</u>	<u>\$23.52</u>
<u>Light Rail Vehicle Technician</u>	<u>\$34.61</u>	<u>\$35.65</u>
<u>Storekeeper</u>		
<u>1st 6 (*)</u>	<u>\$26.77</u>	<u>\$27.57</u>
<u>Thereafter</u>	<u>\$28.37</u>	<u>\$29.22</u>

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	<u>Effective</u> <u>4/1/18</u>	<u>Effective</u> <u>4/1/19</u>
<u>Wayside</u>		
<u>Lineworker</u>		
<u>Training Program Progression (**)</u>	<u>\$38.63</u>	<u>\$39.78</u>
<u>Journey Lineworker</u>	<u>\$38.63</u>	<u>\$39.78</u>
<u>Lineworker Technician</u>	<u>\$44.41</u>	<u>\$45.75</u>
<u>Rail Laborer</u>		
<u>1st 6 (*)</u>	<u>\$22.64</u>	<u>\$23.32</u>
<u>Thereafter</u>	<u>\$25.19</u>	<u>\$25.95</u>
<u>Rail Maintenance Worker</u>	<u>\$31.93</u>	<u>\$32.89</u>
<u>Senior Rail Maintenance Worker</u>	<u>\$33.52</u>	<u>\$34.52</u>

SACRAMENTO REGIONAL TRANSIT – MANAGEMENT PROPOSAL
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SacRT Management proposes the following modifications to Section 14.1 of the Agreement:

ARTICLE 14: RETIREMENT PLAN

SECTION 14.1 – AMENDMENT AND DURATION

With respect to the Retirement Plan executed between the International Brotherhood of Electrical Workers, Local Union 1245, and the Sacramento Regional Transit District, on September 16, 1976; and amended and restated through March 31, 2018:

- a. Except by mutual agreement between the International Brotherhood of Electrical Workers, Local Union 1245, and the District, this Plan shall not be subject to reopening for amendments or changes to become effective prior to April 1, 2018.
- b. Should either party desire to amend or change said Retirement Plan, or any portion thereof, such party shall notify the other party in writing not later than January 1, 2018, or by January 1st of any following year.
- c. If such notice is given by one or both parties, a meeting shall be arranged between the parties and a representative of the firm of actuaries retained by the Retirement Board for the purpose of instructing said actuaries to report in writing by March 1, 2018 on the feasibility and approximate costs (without extensive actuarial studies) of any amendments or changes that might later be requested by the parties.
- d. Attached hereto and made part of this Agreement is Appendix A, RT/IBEW 1245, Retirement Plan.
- e. Effective April 1, 2018, in the event that SacRT creates, absorbs or contracts new business, any regular full-time or part-time employees hired to perform duties as a result of the new business shall will not be eligible to participate in SacRT's defined benefit retirement plan. Rather, they will be enrolled into a defined contribution, deferred compensation plan. Commencing with the first full pay period after completion of the initial probationary period, SacRT will contribute the equivalent of three percent (3%) of the employee's base pay each pay period into the employee's account. The retirement benefits for employees subject to this provision will be the subject of contract negotiations in 2020.

For the purposes of administering this paragraph, the term "new business" refers to service lines, modes or options not provided by SacRT at the time the parties enter into this Agreement. Examples include, but are not limited to, downtown street car, assumption of service previously provided by other public or private entities, inter-district or inter-county commute

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service, intra-district shuttle or commute service, etc. It does not include extension of current routes, improvements in service frequency or the span of service for current routes or similar enhancements to current routes.

- f. Employees hired on or after April 1, 2018, who are not hired to perform duties associated with new business and therefore, are not subject to paragraph (e) above, will be provided a one-time, irrevocable option to either be enrolled in the defined benefit retirement plan as provided at the time of hire, or to waive enrollment in the defined benefit retirement plan and, in lieu of such enrollment, be enrolled into a defined contribution deferred compensation plan with an employer contribution of five percent (5%) of the employee's base pay each pay period.

In the event that an employee fails, as of the date of hire, to make a selection from the two options provided, the employee will be enrolled in the defined benefit retirement plan.

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ARTICLE 36:
TERM

This Agreement shall take effect on April 1, 2014, and shall continue in full force and effect through March 31, 2018, and thereafter from year to year unless written notice of termination or modification shall be given by either party to the other ninety (90) days prior to the end of the current term.

The parties have agreed to extend the term of this Agreement through March 31, 2020.

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