

DATE: March 25, 2010

FROM: TERRY A. BOND, Personnel Services Director  
Personnel Services Department

BY: KENNETH G. PHILLIPS, Labor Relations Manager  
Labor Relations Division

SUBJECT: 1) ADOPT SIDE LETTERS OF AGREEMENT BETWEEN THE CITY OF FRESNO (CITY) AND THE AMALGAMATED TRANSIT UNION, LOCAL 1027 (BUS DRIVERS – UNIT 6), EXTENDING THE MOU, AMENDING CERTAIN MOU PROVISIONS, AND IMPLEMENTING FURLOUGHS.

2) ADOPT A RESOLUTION TO APPROVE AN APPLICATION TO THE STATE EMPLOYMENT DEVELOPMENT DEPARTMENT FOR STATE DISABILITY INSURANCE COVERAGE FOR EMPLOYEES IN UNIT 6.

**RECOMMENDATIONS**

Staff recommends that Council approve Side Letters of Agreement between the City and the Amalgamated Transit Union (ATU), Local 1027, Bus Drivers - Unit 6, and adopt a resolution to approve an application to the State Employment Development for implementation of State Disability Insurance (SDI) benefits.

**EXECUTIVE SUMMARY**

The City of Fresno has concluded negotiations with ATU. The parties have tentatively agreed to an extension of the MOU between the City and ATU through June, 2011 with amendments to various provisions, State Disability Insurance for Unit employees, and settlement of grievances filed by the Union. The parties also agreed on provisions to implement a furlough. The Side Letter of Agreement on the MOU was ratified by ATU membership on March 13, 2010. The Side Letters of Agreement and Resolution have been approved as to form by the City Attorney's Office, and an original signed copy filed with the City Clerk as part of this Agenda Item.

**BACKGROUND**

On March 4<sup>th</sup>, the City and ATU reached a tentative agreement which extends the current MOU through June 30, 2011, amends certain provisions of the MOU, provides for employee paid State Disability Insurance, settles grievances and provides one time additions to vacation leave banks of employees in the Unit.

The tentative agreement provides an opportunity for the Transportation Department and ATU to work together on challenges created by declining revenues.

A summary of significant items in the Side Letters are noted below:

- Extension of the MOU through June 30, 2011.

**FY 2010**

- No general wage increase in Fiscal Year 2010.
- Changes to work rules such as route bids and sign ups.

## REPORT TO THE CITY COUNCIL

Adopt Side Letters of Agreement and Resolution with ATU

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- Attendance policy provision on incident removal after 90 days of incident free attendance changed. Currently all incidents removed after 90 incident free days. Under the definition in the Side Letter definition, the oldest incident will be removed after 90 incident free days. Next oldest removed after an additional 90 incident free days, etc. Employees with five (5) or fewer incidents set to zero (0).
- Employees to be enrolled in State Disability Insurance funded by employee payroll deductions.
- One time addition of eight (8) hours of vacation leave to employee banks after City approval.
- Employees who submitted rest break claims to receive a one time addition of 30.19 hours of vacation to leave banks effective September 30, 2010; employees who did not file claims to receive eight (8) hours. Settles all outstanding rest break grievances.
- City has unilateral right to abrogate Side Letter on Wage Order #9.
- Employees will serve a 40 hour furlough over 26 pay periods.
- If employees go over vacation earning limits as a result of a 40 hour furlough, any amount over the earnings cap will go into the holiday leave bank.

### **FISCAL IMPACT**

The only cost items negotiated as part of the Side Letter of Agreement on the MOU are provisions which provide for one time additions to vacation leave banks. In Fiscal Year 2010, the value of the eight (8) hours to go in each leave bank is approximately \$44,000. The value of the balance of leave to be deposited in banks is approximately \$133,000. The leave time does not necessarily result in new costs to the Department of Transportation. Additional costs are incurred when covering leave results in overtime. There are provisions in the MOU for controlling the use of vacation leave and overtime.

March 15, 2010

Attachment: Side Letter of Agreement between City of Fresno and ATU, Local 1027 Extending MOU  
Agreement between City of Fresno and ATU, Local 1027 on Furlough  
Resolution approving application for SDI

**AGREEMENT BETWEEN  
THE CITY OF FRESNO  
AND  
AMALGAMATED TRANSIT UNION, LOCAL 1027 (Unit 6)**

**AGREEMENT TO AMEND AND EXTEND TERM OF MOU**

The City of Fresno (City) and the Amalgamated Transit Union, Local 1027 (Bus Drivers – Unit 6), have met and conferred in good faith and concur that this Side Letter of Agreement sets forth the full and entire understanding of the parties regarding sections of the Memorandum of Understanding (MOU) noted below. All other provisions of the MOU and existing Side Letters of Agreement remain in full force and effect.

ARTICLE I

PREAMBLE

B. DEFINITIONS

Unless the particular provision or the context otherwise requires, and, except to the extent that a particular word or phrase is otherwise specifically defined in this MOU, the definitions and provisions contained in Chapter \* \* \* **3**, Sections \* \* \* **3-101**, \* \* \* **3-202**, \* \* \* **3-501**, and \* \* \* **3-603** of the Fresno Municipal Code hereinafter FMC, shall govern the construction, meaning, and application of words and phrases used herein. The definition of each word or phrase shall constitute, to the extent applicable, the definition of each word or phrase which is derivative from it, or from which it is a derivative, as the case may be.

ARTICLE II

EMPLOYEE RIGHTS

A. GENERAL - EMPLOYEE RIGHTS

The rights of employees, except as expressly modified herein, are set forth in FMC Section \* \* \* **3-604**. Execution of this MOU by ATU shall not be deemed a waiver of any ATU or employee right unless the right is clearly or explicitly modified or restricted herein.

ARTICLE III

CITY RIGHTS

A. GENERAL

1. ATU and the City agree that the rights of the City are as set forth in FMC Section \* \* \* **3-605**.

ARTICLE IV

RECOGNITION

A. UNION RECOGNITION

The City acknowledges ATU as the recognized employee organization representing the Unit, and therefore, shall meet and confer in good faith promptly upon request by ATU and continue for a reasonable period of time in order to exchange freely information, opinions, and proposals, and to make every reasonable effort to reach agreement on matters within the scope of representation at least one (1) week prior to the last regular City Council meeting at which the City budget must be adopted for the ensuing fiscal year in order to meet the June 30 deadline specified in the City Charter. In order that the meet and confer process includes adequate time for full consideration of the proposals of both parties and for resolution of any impasse, the City shall accept proposals from ATU as early as **four (4) months before expiration of the MOU \* \* \***.

E. RECOGNITION OF UNIT DESCRIPTION

The Bus Drivers Unit consists of all employees of the class, Bus Driver (hereinafter referred to as employee/Bus Driver), holding a permanent position, as defined in FMC Section \* \* \* **3-202** (p)(4), which states, "Permanent position shall mean a full time or part time position in the classified service created pursuant to this article, or a position in the unclassified service, the duration of which is not limited by the terms of the ordinance, resolution or other authorized action creating it." Such Unit may be modified from time to time in the manner designated in the FMC. The Unit does not include individuals employed as Student Drivers. The City shall provide to ATU two (2) copies of the seniority list not later than 15 days after the effective date of this MOU and within five (5) work days of each change to the seniority list.

F. CITY RECOGNITION

ATU recognizes the City Manager of the City, or such other person as may be designated in writing, as the designated representative of the City, pursuant to FMC Section \* \* \* **3-615**, and shall meet and confer in good faith promptly upon request by the City and continue for a reasonable period of time in order to exchange freely information, opinions, and proposals, and to make every effort to reach agreement on a successor MOU at least one (1) week prior to the last regular Council meeting at which the City budget must be adopted for the ensuing fiscal year in order to meet the June 30 deadline in the City Charter.

I. LOCKOUT AND STRIKE

2. No unlawful strikes, or work stoppages of City employees, as defined in FMC Section \* \* \* **3-624**, shall be caused, instigated, encouraged, condoned, participated in, or honored by ATU or its members during the term of this MOU.

J. UNILATERAL ACTION

In the event the meet and confer process for a successor MOU results in an impasse, the City shall not take unilateral action regarding wages, hours, and other terms and conditions of employment prior to completion of the impasse resolution procedures as identified in FMC \* \* \* **3-617** or as modified in the ground rules.

ARTICLE V

SCOPE OF REPRESENTATION

A. GENERAL

1. "Scope of Representation" means all matters relating to employer/employee relations, including, but not limited to wages, hours, and other terms and conditions of employment. Employee rights, as set forth in FMC Section \* \* \* **3-604**, and City rights, as set forth in FMC Section \* \* \* **3-605(a)**, are excluded from the scope of representation.

3. Subject to the provisions of FMC Section \* \* \* **3-620** and Article VI hereof, the parties recognize that membership in ATU is not compulsory, that Bus Drivers have the right to join, not join, maintain, or drop their membership in ATU, and that neither party shall exert any pressure on or discriminate against a Bus Driver regarding such matters.

4. ATU agrees to represent all of the Bus Drivers in the Unit fairly and equally without regard to whether or not a Bus Driver is a member of ATU. The terms of this MOU have been made for all Bus Drivers within the Unit and not only for members of ATU, and this MOU has been executed by the City after it has satisfied itself that ATU is the choice of a majority of the Bus Drivers in the Unit, subject to revocation as specified in FMC Sections \* \* \* **3-612** and \* \* \* **3-613**.

## ARTICLE VI

### DUES DEDUCTION

#### B. DUES CHECK-OFF

Rules governing dues check-off are set forth in FMC Section \* \* \* **3-620**.

## ARTICLE VII

### DISCIPLINARY ACTIONS

#### A. DISCIPLINARY ACTIONS

3. Use of a Hearing Officer in Disciplinary Action Initiated by City - Bus Drivers may elect the alternate appeal procedure before a hearing officer instead of a hearing before the Civil Service Board as provided in FMC Section \* \* \* **3-283**.

#### B. REPORTING LATE FOR DUTY (MISS-OUTS)

2. All Bus Drivers reporting for duty shall sign on not later than the scheduled reporting time (**Example: Report time is 6:00 a.m., Bus Driver late at 6:01 a.m.**). Any Bus Driver reporting **after** the scheduled sign-on time shall be considered "late" and charged with a miss-out for that day. A Bus Driver who is not able to report to work as needed will be charged with an incident consistent with the Attendance Policy, Addendum I, and will be considered absent without pay, unless the Bus Driver was prevented from reporting to the division by circumstances beyond the Bus Driver's control as determined by the Transit General Manager or designee. **Any Bus Driver who fails to sign on and has left the FAX yard performing their job duties, will be charged with a miss-out. In such a case, the Bus Driver shall be allowed to complete their scheduled work assignment for that day as well as receiving a miss-out.** No Bus Driver shall be charged with a miss-out and an incident for the same occurrence. In the

event the sign-on sheet is not available, it is FAX's responsibility to provide an alternative method for Bus Drivers to confirm their attendance.

## ARTICLE VIII

### FAX RULES AND REGULATIONS

#### A. DEFINITIONS

nn. **"Rest Break" is defined as employees who work at least 3.5 hours in a day, excluding standby, will be entitled to a five (5) minute break. Employees who are assigned at least 7 hours of work in a day, excluding standby, will be entitled to two breaks of five (5) minutes duration. A break is defined as time the bus is parked along the route, or at the end of the line (including any layover point on a looped route turn around) where a driver has the option to secure the bus, get out of the seat, and/or use a nearby facility for food, or shelter with or without passengers on board. Time at the downtown station stops (Shelters A, B and L) or at Manchester Center will not be counted towards break time.**

#### C. EXTRA BOARD

##### 1. Assignment of Work From the Extra Board

##### c. Work Assignments: Day Before Operating Day

(1) The rotation line shall be established above the first Bus Driver with the greatest seniority at each sign up. The rotation line shall move \* \* \* **two (2)** positions down the board for each day of service. This rotation rate may be changed by mutual agreement. This number shall include the positions of Bus Drivers who are on days off, on sick leave, vacation days, suspensions, hold downs, or not working for any reason. **It is expressly understood that an extra board Bus Driver is required to accept the tripper that is part of the regular Bus Driver's bid.**

#### D. GENERAL RULES FOR ALL BUS DRIVERS

##### 1. Sign-Ups

c. If there is a change in the pay hours in any regularly scheduled run **or bid trippers** exceeding \* \* \* **15** minutes, **the Department and the Union shall meet to determine how the matter will be**

**resolved. Such resolution may include, but shall not be limited to, providing alternate work to keep employees whole or reassignments. If the parties are unable to reach mutual agreement on resolution within 7 calendar days of notice of the change in pay hours, there shall be a new sign-up or mark down as required to allow seniority to prevail in the selection of work assignments.**

- d. FAX will notify the membership thirty (30) days in advance of the effective date of the next bid sign-up. A sign-up roster shall be posted ten (10) days prior to the day of a sign-up, except in emergencies or other instances beyond the control of FAX. A copy shall be provided to ATU. Bus Drivers may leave a written proxy with the dispatcher, and the dispatcher and the ATU President or designee will work jointly to select a run for the Bus Driver according to the proxy. Choices on the proxy shall be ranked in numerical order of priority (e.g., 1=first choice, etc.). If the run or runs specified in the proxy are not available, the run or runs will be selected by the ATU President or designee. \* \* \* Sign ups will be conducted over a twelve (12) hour period with the first bid to be submitted and posted no later than 6:00 a.m. and concluding at 6:00 p.m. Bus Drivers selecting assignments within the first three (3) hours (6:00 a.m. to 9:00 a.m.) will be allotted fifteen (15) minutes for the purpose of selecting assignment(s) and then every twenty-five (25) minutes thereafter.

**The ATU President or designee when performing duties in association with this provision will be considered on City business during the time the sign-up process is scheduled by the Department. Such time shall be compensable at the applicable hourly rate for all hours during and until the bid sign-up is concluded. However, if the bid sign-up concludes earlier than the scheduled time, the ATU President or designee shall be assigned alternative duties to assure no loss of scheduled pay occurs.**

**The ATU President or designee who is assigned a partial day to conclude the sign-up process shall be assigned alternative duties, at the discretion of the Department, to assure the person is compensated for no fewer hours than would have been received on that day if not assigned to the sign up.**

**The ATU President or designee shall not be scheduled to perform the bid sign-up process on their scheduled days off.**

4. Sick Leave

b. Notwithstanding the provisions in the Attendance Policy, the following shall apply:

- (1) A Bus Driver subject to disciplinary action that results in a suspension without pay or imposition of a fine, shall have the option to request either the suspension without pay or in lieu of the suspension, a fine pursuant to FMC Sections \* \* \* **3-280** and \* \* \* **3-281**.

5. Holidays

a. Except as may be modified in this Section, Holidays shall be governed by FMC Section \* \* \* **3-116**.

E. BENEFITS FOR PERMANENT PART TIME (PPT) BUS DRIVERS

3. Recruitment and Retention

d. Appointments to vacant permanent full-time allocated Bus Driver positions shall be made from Bus Drivers holding positions as PPT Bus Drivers. The Bus Driver having the greatest seniority as a PPT Bus Driver shall be offered the vacant position which the City may in its sole discretion, decide to fill. **Seniority only for the purpose of promotion shall be reduced twenty-one (21) calendar days for each twenty-one (21) consecutive calendar days that the PPT Bus Driver is not doing platform work, provided, however, that loss of seniority under this provision shall not apply in the case of scheduled vacation, leave for jury duty or military leave.** In the event all PPT allocated Bus Driver positions are vacant, appointments shall be made from a Bus Driver eligible list. Service as a PPT shall not be counted toward seniority as a permanent full-time Bus Driver, except where length of service of two (2) or more permanent full-time Bus Drivers is identical.

ARTICLE IX

COMPENSATION AND BENEFITS

G. LEAVE WITHOUT PAY

Leave without pay may be granted for a period not to exceed 120 days and may be extended by the City Manager, subject to the provisions of FMC Section \* \* \* **3-104**.

Leave taken under the Family Rights Act of 1991 will not affect a Bus Driver's seniority accrual.

H. UNAUTHORIZED LEAVE AS RESIGNATION

A Bus Driver who without prior approval is absent or fails to perform their duties for three (3) consecutive working days shall be considered to have resigned their position, effective upon the first day of absence. FMC Section \* \* \* **3-115** controls the applicability and administration of this section.

I. WORKERS' COMPENSATION

1. Notwithstanding the provisions of FMC Section \* \* \* **3-118**, effective May 26, 2003, a Bus Driver who suffers an injury/illness in the course and scope of City employment shall receive seventy-six (76) percent of the Bus Driver's full wages or salary, excluding overtime.

L. TEMPORARY ASSIGNMENT TO PERFORM DUTIES OF ABSENT BUS DRIVERS

1. All temporary assignments shall be in accordance with FMC Sections \* \* \* **3-256**, \* \* \* **3-257**, \* \* \* **3-258**, \* \* \* **3-259** and \* \* \* **3-260**.

Q. COMPENSATORY TIME OFF (CTO)

Bus Drivers may elect to accrue CTO in lieu of cash payment for overtime hours worked. Bus Drivers may accrue a CTO balance not to exceed ninety-six (96) hours. Bus Drivers who have reached the maximum balance shall be given cash payment for additional overtime hours worked until such balance has been reduced below or to the maximum allowable. Use of available CTO shall be requested and subject to approval the same as is vacation, and the provisions of FMC section \* \* \* **3-108** (g) shall apply. FAX will compensate, by cash payment, all CTO balances at the regular/base hourly rate on the last pay period or, upon request by a Bus Driver, at any time during each fiscal year. With at least thirty (30) days notice, a Bus Driver may request up to thirty-two (32) hours of their CTO balance be carried over into the next fiscal year.

**U. STATE DISABILITY INSURANCE (SDI)**

1. **Employees who are in bargaining Unit 6, Bus Drivers represented by the Amalgamated Transit Union, Local 1027, shall be enrolled in the State Disability Insurance (SDI) coverage plan. Enrollment shall occur as soon as is practicable through the filing of the City of Fresno's (City) Application for Elective Coverage with the State Employment Development Department (EDD). Within a minimum of six (6) months following submission and approval by the EDD director of the City's Application for Elective Coverage an employee shall be eligible to file a valid claim.**

**Employees eligible for SDI benefits are those who are defined by Section 2601, et seq. of California Unemployment Insurance Code.**

**Eligible employees covered under the SDI program shall receive benefits pursuant to California Unemployment Insurance Code Section 2655.**

2. **Employees shall file claims in the same manner as required under the SDI Plan.**
3. **The City shall maintain SDI through employee payroll deductions to be funded by employee contributions.**
4. **Employees who are absent from duty and are receiving SDI benefits who are eligible to use sick leave, vacation leave, holiday leave, or compensatory time off, shall be eligible to integrate the payment of SDI benefits with such City-paid leave benefits.**
  - a. **Integrating leave balances is defined as the SDI benefit and the monetary value of the employee's leave balances added together to provide a regular bi-weekly income.**
  - b. **Integrating leave balances with SDI benefits will continue only if leave balances are available and the employee remains eligible to receive SDI benefits.**
  - c. **The intent of the provision providing for integration of benefits is to provide a combined biweekly adjusted net income not to exceed, 100% of regular bi-weekly income as long as such eligible disability qualifies and available leave balances exist. Other employee authorized deductions shall continue to be deducted from pay. Pay, including SDI benefits and bi-weekly pay, shall not exceed 100% of regular pay. If SDI benefits equal**

or exceed 100% of the regular pay, no City payment shall be made.

5. Eligible employees may use the following accrued City leave balances in conjunction with SDI benefits and in accordance with #6 below:

- Sick Leave
- Vacation Leave
- Holiday Leave
- Compensatory Time Off (CTO)
- Donated time, when all other leave balances have been exhausted.

6. An employee eligible for SDI benefits shall be limited to the use of Sick Leave at thirteen (13) hours per week to be posted at the beginning of each work week. The employee has the option of requesting use of Vacation Leave, Holiday, or CTO. Request of and approval of Vacation Leave, Holiday, or CTO will be per City policy. When approving such leave, supervisors and managers should be aware that leave could result in payment of more than an employee's regular salary when combined with SDI. If the employee chooses not to utilize Leave time other than Sick Leave or has none, then the employee will be in a Leave Without Pay (LWOP) status. An employee who has exhausted all other leave balances may apply for donated time in accordance with City policies. Use of donated time shall be limited to thirteen (13) hours per week. Time for Permanent Part-Time employees should be prorated in accordance with the employee's particular schedule.

7. Initiating the integration of the above accrued leave balances with SDI benefits shall be subject to the following conditions:

- a. The employee contacts their department's payroll clerk to establish a date to begin use of leave. In the event that an employee is unable to notify the department, contact from the employee's spouse, parent, or other close family member will be sufficient.
- b. Upon contacting their department, the employee shall immediately file a claim for SDI benefits with EDD.
- c. If the employee chooses not to contact their department as outlined in subsection (7.a.) above, use of leave balances will

**not occur until the City receives notification of eligibility from EDD.**

- d. If the City does not receive the appropriate notification from EDD prior to the end of the employee's disability status, the City shall modify the use of any leave balances to reflect appropriate use of leave in accordance with the MOU and City policies/procedures.**
- (1) When the employee's eligibility has been established, the City shall make leave payments to the employee in the usual manner in accordance with the MOU and City policies/procedures.**
  - (2) Any period of absence during which an employee is receiving SDI benefits but is not receiving leave payments shall be deemed a leave of absence without pay.**
  - (3) Service credits toward seniority, step increase eligibility, and probation periods shall be in accordance with the MOU and City policies/procedures.**
  - (4) If an employee exhausts all available leave balances but continues receiving SDI benefits, the City's compensation shall cease.**
  - (5) The City shall continue contributions toward the employee's health and welfare benefits and retirement contributions in accordance with established laws and practices during the pay periods that include leave payments by the City. The employee shall be responsible for payment of premiums required to maintain health and welfare benefits when City contributions cease in accordance with established laws, policies and practices.**
  - (6) In the event the City determines that legislative, administrative or judicial determinations cause changes which in any way restricts, reduces or prohibits any provision of this Agreement, the parties shall immediately meet to discuss necessary amendments and/or modifications.**

ARTICLE XI

TERMINATION

This MOU shall be in full force and effect from July 1, **2009**, through \* \* \* **June 30, 2011**, subject to the Sections A., B., C., and D. below.

- A. This MOU shall become effective only after ratification by the members of ATU, followed by City Council approval and the expiration of the waiting period for the Mayor's action provided in Charter sections 605 and 609, and shall remain in full force and effect through \* \* \* **June 30, 2011**.

**The parties further agree to the following:**

- 1. That under Attendance Policy (Applicable to ATU, Unit 6), AO-2-19.2, Policy and Procedure, Discipline Levels – Section II: 3, only one (1) incident shall be removed after each ninety (90) day period with no additional incidents. This change in interpretation will be implemented 90 days after ratification of this Side Letter by the membership of the Union.**
- 2. Employees with five (5) or fewer incidents will have the number of incidents reduced to zero (0). This action shall occur only after City ratification, but shall be effective the day after Union ratification.**
- 3. Employees in Unit 6 shall receive a one time addition of eight (8) hours to vacation leave banks effective after approval of this agreement by the City. Any employee who would exceed the vacation hours cap by addition of this time will have those hours in excess of the cap placed in the holiday leave bank instead.**
- 4. Employees in Unit 6 who are not part of the rest break settlement (i.e. did not file a rest break claim) shall receive a one time addition of eight (8) hours to vacation leave banks effective September 30, 2010 (posted to leave bank records as of October 3, 2010). Any employee who leaves City employment or who transfers to a different bargaining unit in the City prior to September 30, 2010 for reasons other than disciplinary action, shall be entitled to a vacation payoff as if the leave had been provided prior to the employee leaving City employment. Any employee who would exceed the vacation hours cap by addition of this time will have those hours in excess of the cap placed in the holiday leave bank instead.**
- 5. All active grievances filed by employees or the Union regarding rest breaks shall be withdrawn as a settlement. As part of this settlement, employees who filed rest break claims as of July 28, 2008 shall**

receive a one time addition of 30.19 hours to the employee's vacation leave bank effective September 30, 2010 (posted to leave bank records as of October 3, 2010). Any employee who would exceed the vacation hours cap by addition of this time will have those hours in excess of the cap placed in the holiday leave bank instead. Employees who made claims but who have left bus driver positions shall receive a vacation payoff equivalent to 38.19 hours. Employees currently employed who leave bus driver positions before September 30, 2010, will receive 30.19 vacation hours on resignation/termination.

6. The parties agree that the Side Letter of Agreement dated October 2006 and titled "WAGE ORDER No. 9-2001 SIDE LETTER AGREEMENT" will remain in full force and effect except as modified by this MOU, provided, however, that the Side Letter of Agreement shall be abrogated in its entirety upon written notification by the City to the Union that it intends to exercise its rights under this provision.

This Side Letter Agreement does not change any other terms and conditions of the current MOU.

**FOR THE AMALGAMATED TRANSIT  
UNION, LOCAL 1027:**

**FOR THE CITY OF FRESNO:**

\_\_\_\_\_  
**RICK STEITZ**  
President

\_\_\_\_\_  
**KENNETH PHILLIPS**  
Labor Relations Manager

DATE: \_\_\_\_\_

**APPROVED AS TO FORM  
CITY ATTORNEY'S OFFICE**

BY: *Tommi R. Scognatella*  
**Deputy City Attorney**

**AGREEMENT BETWEEN THE  
CITY OF FRESNO  
AND  
AMALGAMATED TRANSIT UNION, LOCAL 1027, UNIT 6 (ATU)  
  
FURLOUGH AGREEMENT**

The City of Fresno (City) and the Amalgamated Transit Union, Local 1027 (Union) have met. This Agreement sets forth the full and entire understanding of the parties regarding a furlough to take place between January 1, 2010 and December 31, 2010.

Furlough Period

Between January 1, 2010 and December 31, 2010, employees in Unit 6 will take forty (40) hours of furlough. Employees with scheduled vacation will take this time as furlough until they have completed the forty (40) hours. The department will schedule furlough time for those employees who do not have sufficient vacation scheduled to reach forty (40) hours of furlough.

Impact

In order to mitigate the impact of the furlough, employees in Unit 6 will be paid during those pay periods when furlough is taken and will have deductions taken from pay for twenty-six (26) pay periods. The pay period commencing December 28, 2009, with a paycheck of January 15, 2010, will be the first such pay period.

Employees shall continue to accrue retirement benefits and leave accruals to which the employee is entitled as though the employee was not subject to furlough. Employees and the City shall continue to make contributions to the retirement system as if the employee was not being subject to furlough. Employees shall be entitled to existing Health and Welfare benefits as though the employee was not subject to furlough. Employees and the City shall continue to make required Health and Welfare contributions as if the employee was not subject to furlough.

If an employee ceases employment with the City prior to completion of the twenty-six (26) pay periods, any amount due on the deductions for the furlough will be taken from the employee's final paycheck. If an employee has deductions which exceed the amount of time subject to furlough, the excess will be paid to the employee.

Employees who reach the vacation cap, set forth under the existing MOU at Article XIII, D.2.k., from the pay period starting December 28, 2009 and continuing for 39 pay periods through June 26, 2011, will have any accruals beyond the cap placed in the holiday leave bank.

This Agreement expires June 27, 2011.

**FOR THE TRANSPORTATION  
DEPARTMENT:**

**FOR THE AMALGAMATED TRANSIT  
UNION, LOCAL 1027:**

\_\_\_\_\_  
KENNETH HAMM  
Transportation Director

\_\_\_\_\_  
RICK STEITZ  
President

**FOR THE CITY OF FRESNO:**

\_\_\_\_\_  
KENNETH G. PHILLIPS  
Labor Relations Manager

Date \_\_\_\_\_

**APPROVED AS TO FORM  
CITY ATTORNEY'S OFFICE**

BY: *Annunzio R. Laghatella*  
Deputy City Attorney

RESOLUTION NO. 2010-\_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF  
FRESNO, CALIFORNIA AUTHORIZING AN APPLICATION  
FOR STATE DISABILITY INSURANCE FOR EMPLOYEES IN  
UNIT 06 – BUS DRIVERS.

WHEREAS, the City of Fresno has met and conferred with the Amalgamated Transit Union, Local 1027; and

WHEREAS, State Disability Insurance is a benefit to employees to receive financial assistance when unable to perform duties after suffering non-work related illness or injury;

WHEREAS, the City of Fresno desires to become an employer subject to the Unemployment Insurance Code for Disability Insurance purposes;

WHEREAS, the City of Fresno will remain a subject employer for at least two complete calendar years and thereafter, until the election is terminated as provided by the Unemployment Insurance Code;

WHEREAS, the City of Fresno has agreed to apply for and enroll all members of Unit 06 – Bus Driver employees in State Disability Insurance; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno that an application for Elective Coverage of Disability Insurance under Section 710.5 of the California Unemployment Insurance Code be filed with the Employment Development Department of the State of California.

\*\*\*\*\*

STATE OF CALIFORNIA )  
COUNTY OF FRESNO ) ss.  
CITY OF FRESNO )

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the \_\_\_ day of \_\_\_\_\_, 2010.

AYES :  
NOES :  
ABSENT :  
ABSTAIN :

Mayor Approval: \_\_\_\_\_, 2010

Mayor Approval/No Return: \_\_\_\_\_, 2010

Mayor Veto: \_\_\_\_\_, 2010

Council Override Vote: \_\_\_\_\_, 2010

REBECCA E. KLISCH  
City Clerk

BY: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM

JAMES C. SANCHEZ  
CITY ATTORNEY

BY: Tommi K. Saghatelian  
Tommi Saghatelian  
Deputy City Attorney

KP:jl