

FOR BOARD ACTION

Agenda Item # 8

Meeting Date: 11/24/09

SUBJECT: Amendment to Settlement Agreement Between City of Rochester and IBEW, Local 949

PREPARED BY: Wally Schlink, Director of Power Resources

ITEM DESCRIPTION:

In 2002, the City of Rochester converted to a bi-weekly payroll system which resulted in a dispute between the City and the IBEW Local 949. This dispute was resolved through a Settlement Agreement, one component of which was a "levelized" pay system in which a shift employee would receive 80 hours of regular pay every 2 weeks regardless of actual hours worked. At the end of the year the pay and actual hours worked are trued up causing either the employee to owe the City or the City to owe the employee. Due to the payroll year and the calendar year ending simultaneously in 2008 the problem was exacerbated and several employees owed a significant amount of money to the City.

In order to rectify this and eliminate this from happening again, the City and the members of the IBEW have agreed to amend the Settlement Agreement. Beginning on December 17, 2009 the shift employees will receive pay for actual hours worked which will eliminate the problems related to "levelized" pay.

Execution of this amendment by the RPU Board and Common Council will finalize the Amendment to Settlement Agreement.

FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

Not Applicable

UTILITY BOARD ACTION REQUESTED:

Staff recommends that the Board approve and execute the attached Amendment to Settlement Agreement between City of Rochester and IBEW Local 949, and that the Board requests City Council approval, and that the Council authorize the Mayor and City Clerk to execute the Amendment.



General Manager

11/19/09

Date

ROCHESTER PUBLIC UTILITIES

**AMENDMENT TO SETTLEMENT AGREEMENT
 BETWEEN
 CITY OF ROCHESTER AND IBEW, LOCAL 949**

THIS AGREEMENT is made as of the _____ day of _____, 2009, by and between the City of Rochester, a Minnesota municipal corporation, ("City") and the International Brotherhood of Electrical Workers, Local 949 ("IBEW").

WHEREAS, on January 31, 2002, the City and IBEW entered into a Settlement Agreement ("Settlement Agreement") regarding the resolution of a dispute between the parties involving the City's new payroll system; and

WHEREAS, the parties wish to amend Section 4 of the Settlement Agreement and enter into this Amendment in order to do so.

NOW, THEREFORE, IN CONSIDERATION OF THESE PRESENTS, the parties agree to amend Section 4 of the Settlement Agreement so as to read as follows:

- 4. Beginning on December 17, 2009, Rochester Public Utilities shift employees will be paid for actual hours worked (which may include other types of paid leave) per pay period rather than the previous standard 80 hours.

BE IT FURTHER AGREED that, except for the above amendment, the remainder of the January 31, 2002, Settlement Agreement remains in effect and binding upon the parties.

IN WITNESS WHEREOF, City and County have executed this Amendment as of the date first written above.

CITY OF ROCHESTER, MINNESOTA

INTERNATIONAL BROTHERHOOD OF
 ELECTRICAL WORKERS, LOCAL 949

By _____
 Its Mayor

By _____
 Its _____

Attest _____
 Its City Clerk

STATE OF MINNESOTA)
) ss
 COUNTY OF OLMSTED)

This amendment was acknowledged before me this _____ day of _____, 2009, by Ardell F. Brede and Judy Scherr, the Mayor and City Clerk, respectively, of the City of



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, that the Board requests the Common Council of the said City to approve the Amendment to Settlement Agreement Between City of Rochester and IBEW, Local 949, per the terms, and to authorize the City Clerk and Mayor to execute the Amendment.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 24th day of November, 2009.

President

Secretary