

**RESOLUTION NO. 23-115**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO  
APPROVING THE TENTATIVE AGREEMENT BETWEEN THE CITY OF  
CUPERTINO AND OPERATING ENGINEERS LOCAL #3 AFL-CIO**

WHEREAS, on August 16, 2022, the City Council approved a Memorandum of Understanding (MOU with Operating Engineers Local #3 AFL-CIO (OE3); and



WHEREAS, the City Council desires to approve an agreement to amend the MOU between the City of Cupertino and OE3.

NOW, THEREFORE, BE IT RESOLVED that the agreement to amend the MOU between the City of Cupertino and Operating Engineers Local #3 AFL-CIO is hereby approved and is incorporated in this resolution by reference and attached as Exhibit A.

PASSED AND ADOPTED at a special meeting of the City Council of the City of Cupertino this 7<sup>th</sup> day of November 2023 by the following vote:

Members of the City Council

AYES: Wei, Mohan, Chao, Fruen, Moore  
NOES: None  
ABSENT: None  
ABSTAIN: None

SIGNED:  _____ Hung Wei, Mayor City of Cupertino	<u>11/14/23</u> _____ Date
ATTEST:  _____ Kirsten Squarcia, City Clerk	<u>11/14/23</u> _____ Date

# Operating Engineers, Local 3



NEGOTIATIONS 2023

# Correspondence

FINAL COMPREHENSIVE

## TENTATIVE AGREEMENT

DATE: October 26, 2023

TIME: 12:33 PM

*The following represents a comprehensive tentative agreement between the City of Cupertino ("City") and the Operating Engineers, Local 3 ("OE3" or "Union") as a result of the wage reopener language in Section 10.1(c) of the current Memorandum of Understanding (effective July 1, 2022 through June 30, 2025).*

MOU Section	Tentative Agreement																
Term	Same as under current MOU agreement: 3-Year term effective July 1, 2022 through June 30, 2025.																
Section 10.1 – Salary Schedule / Healthcare Reopener	<p>Effective the first full pay period on or after July 1, 2023, a <b>3.50%</b> salary increase will be added to the salary range of each classification in this bargaining unit.</p> <p>There shall be no further salary increase for FY24/25.</p> <p>The parties further agree that they have fully satisfied the healthcare reopener negotiations for FY23-24 and FY24-25 and that no further healthcare negotiations will be held for the remainder of the MOU term.</p>																
Section 12 – Health and Welfare Benefits	<p>Effective January 1, 2024, for each participating employee, the City shall contribute toward premium cost the following amount per month during the term of this agreement.</p> <table border="1"> <thead> <tr> <th>January 1, 2024</th> <th>City Max Health Contribution</th> <th>City Max Dental Contribution</th> <th>City Total Max Contribution</th> </tr> </thead> <tbody> <tr> <td>Employee</td> <td>\$1,021.41</td> <td>\$126.78</td> <td>\$1,148.19</td> </tr> <tr> <td>Employee + 1</td> <td>\$2,042.82</td> <td>\$126.78</td> <td>\$2,169.6</td> </tr> <tr> <td>Employee + 2</td> <td>\$2,655.67</td> <td>\$126.78</td> <td>\$2,782.45</td> </tr> </tbody> </table> <p>Required contribution amounts exceeding the premium contribution of the City are the responsibility of the</p>	January 1, 2024	City Max Health Contribution	City Max Dental Contribution	City Total Max Contribution	Employee	\$1,021.41	\$126.78	\$1,148.19	Employee + 1	\$2,042.82	\$126.78	\$2,169.6	Employee + 2	\$2,655.67	\$126.78	\$2,782.45
January 1, 2024	City Max Health Contribution	City Max Dental Contribution	City Total Max Contribution														
Employee	\$1,021.41	\$126.78	\$1,148.19														
Employee + 1	\$2,042.82	\$126.78	\$2,169.6														
Employee + 2	\$2,655.67	\$126.78	\$2,782.45														

# Operating Engineers, Local 3



## Correspondence

	<p>employee. The City will no longer pay medical insurance cash back (excess of the monthly premium less the cost of the medical coverage) for any employee.</p> <p>With regards to any change in the monthly medical plan premium charged by CalPERS in the plan year 2025 compared to the plan year 2024, the City's maximum contributions shall be capped at no more than 6%. Any required contribution amounts exceeding the premium contribution of the City are the responsibility of the employee.</p> <p>All other provisions of this Section are the same.</p>
<p>Section 14.1 – Fixed Holidays</p>	<p>Add Lunar New Year and César Chávez Holiday to holiday schedule starting in 2024.</p>
<p>Floating Holiday for CY 2023</p>	<p>For Calendar Year 2023, OE3 employees will receive one (1) floating holiday in lieu of Lunar New Year holiday. Said floating holiday is “use it or lose it” and must be used by December 31, 2023. If said floating holiday is not used by the last full pay period in December 2023, it shall be automatically cashed out in the first full pay period in January 2024.</p>
<p>Wage Reopener</p>	<p>For the sole purpose of this wage reopener provision which applies for the current MOU term (effective July 1, 2022 through June 30, 2025), should the City's financial situation change, such that ongoing revenue loss beginning with FY24/25 would be mitigated, and such mitigation would result in the City's budget being balanced and provide a minimum of \$3 million dollars in ongoing surpluses (as defined in the City's quarterly and annual budget reports) in all subsequent years of the 10 year forecast chart for the General Fund, the parties agree to reopen wage negotiations for FY24/25. This provision shall automatically sunset on June 30, 2025.</p>

All outstanding proposals to which there is no Tentative Agreement or which are not addressed above are to be withdrawn or deemed denied.

# Operating Engineers, Local 3




NEGOTIATIONS 2023

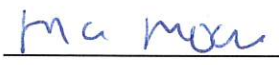
## Correspondence


The City and OE3 jointly acknowledge that this comprehensive tentative agreement is expressly contingent upon: i) the City Council's approval; and, ii) ratification by OE3's membership by October 31, 2023. The parties agree to recommend positively this Final Comprehensive Tentative Agreement to their principals for ratification.


### For the City

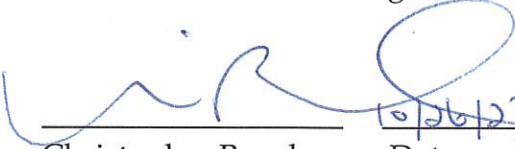
### For the Union

  
\_\_\_\_\_  
Kristina Alfaro      Date  
Director of Administrative Services

  
\_\_\_\_\_  
Michael Moore      Date  
Business Representative

  
\_\_\_\_\_  
Vanessa Guerra      Date  
Human Resources Manager

  
\_\_\_\_\_  
Kevin Greene      Date

  
\_\_\_\_\_  
Christopher Boucher      Date  
Labor & Employment Counsel

