

# Olivehurst Public Utility District



## Agenda Item Staff Report

Meeting Date: March 18, 2021

### Item description/summary:

**Consider Ratify Revised Side Letter Amendment to OE3 Utility Unit MOU (Strategic Plan Goal 6.1: Recruit and Retain a High Performing Workforce):** The attached executed side letter contains minor revised arithmetic clarifications from the side letter approved by the Board of Directors on December 21, 2020. The Board of Directors is requested to ratify the attached final executed version of the side letter.

### Fiscal Analysis:

No fiscal impact to OPUD.

### Employee Feedback

The Employee Bargaining Unit has already executed the attached final version of the side letter.

### Sample Motion:

Move to ratify approval of the final executed version of the side letter.

Prepared by:

Deirdre Joan Cox, OPUD Legal Counsel

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**Side Letter of Agreement  
Between the Olivehurst Public Utility District  
and Operating Engineers Local Union No. 3 Public Employees Division,  
on Behalf of the Utility Unit,  
December 21, 2020**

Pursuant to the provisions of the Meyers-Milias-Brown Act ("MMBA") and the Memorandum of Understanding between the Olivehurst Public Utility District ("District") and Operating Engineers Local No. 3 of the International Union of Operating Engineers, AFL-CIO ("Union"), on behalf of the Utility Unit, effective July 1, 2018 through June 30, 2021 ("MOU"), this Side Letter of Agreement is entered into as of December 21, 2020, between the District and the Union ("Side Letter Agreement") as an amendment to the MOU. The District and the Union are collectively referred to herein as the "parties." It is understood and agreed that the specific provisions contained in this Side Letter Agreement shall supersede any previous agreements, whether oral and written, regarding the matters contained herein. Except as provided herein, all wages, hours and other terms and conditions of employment presently enjoyed by the Union in the MOU shall remain in full force and effect.

The District and the Union have met and conferred in good faith concerning the terms and conditions of this Side Letter Agreement and its implementation and agree to the following:

The parties mutually consent to add the following provision to the end of ARTICLE X, Section 2. Pension:

(c) Employees understand that as anticipated by section 2.(d) of this Article, the OE3 Plan has notified OPUD of the obligation to make contributions to the OE3 Plan's Funding Improvement Plan and Rehabilitation Plan. Employees understand that pursuant to the Funding Improvement Plan and Rehabilitation Plan, the total monthly OE3 Plan contribution required is 19.96% of the total salary of each covered employee.

(i) Employees hereby agree that commencing January 1, 2021, the monthly employee contribution to the OE3 Plan referenced in section 2.(a) above shall be 5.46% of such employee's monthly salary.

(ii) In accordance with Section 2.(a) above, because each employee contribution will exceed 2.5%, OPUD will match 2.5% of each such contribution, resulting in a total incremental contribution of 7.96% (5.46% from each employee and 2.5% from OPUD).

(iii) In accordance with that certain Pick-Up Resolution adopted by OPUD on or about December 21, 2020, employees understand that such employee contribution portion will be designated as employee contributions, which contributions will be picked up and paid by OPUD to the OE-3 Plan together, with the District monthly payments to the OE-3 Plan made in accordance with section 2.(a) of this Article.

This Side Letter of Agreement shall be effective as of the 21st day of December, 2020, and will remain in effect until the 30th day of June 2021. All other provisions of the MOU remain unchanged.

[Signatures follow on next page]

**OLIVEHURST PUBLIC UTILITY  
DISTRICT**


Dated: 1-8-2021

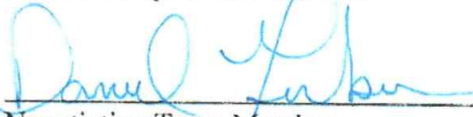
  
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President of Board of Directors

  
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District Clerk

**OPERATING ENGINEERS LOCAL  
UNION NO. 3 of the International Union of  
Operating Engineers, AFL-CIO  
(BUSINESS OFFICE UNIT)**

Dated: 1-7-2021

  
\_\_\_\_\_  
Business Representative, OE3

  
\_\_\_\_\_  
Negotiating Team Member