

# Exhibit to Agenda Item #13

Approve a Memorandum of Understanding between the Sacramento Municipal Utility District and the International Brotherhood of Electrical Workers Local Union 1245 for the period January 1, 2022, through December 31, 2025.

Board of Directors Meeting

Thursday, October 21, 2021, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

# Agenda

- Outcomes Achieved through Negotiations with the International Brotherhood of Electrical Workers (IBEW) Local 1245
- Key Terms of the Proposed Memorandum of Understanding (MOU) between SMUD and the IBEW
- Summary & Request for Approval of IBEW Successor MOU

# Outcomes Achieved

- Represents a fair and financially responsible outcome for SMUD, our customers, and the IBEW employees:
  - Meets SMUD's financial targets
  - Maintains competitive pay with a total compensation package to attract and retain a safe and engaged IBEW workforce
- Preserves positive relations with the IBEW Local 1245

# IBEW Proposed MOU

- Ratified by the IBEW on Oct. 8:
  - 400 voted were counted (77% of membership cast ballots)
  - Overwhelming support: 88% voted YES
- Term of the new MOU:
  - 4-year contract
  - January 1, 2022 – December 31, 2025

# Wages

## General Wage Increase:

- 2022: 3.5%
- 2023: 3%
- 2024: 3%
- 2025: 3.25%

All IBEW bargaining unit employees will be eligible for the general wage increase each year.

# Wages (continued)

## Equity Adjustments in 2022:

- Lineworker Series: 11%
- Electrical Technician Series: 7%
- Cable Splicer/Electrician Series: 3%
- Cable Splic/Elec Construction Frmn/Wmn job class: 2.5%
- Substation Construction Frmn/Wmn job class: 2.5%

For IBEW bargaining unit employees in select job classifications, due to sharp increases in market rate and the associated tight labor market with these job classifications.

# Wages (continued)

## 2-Tier Job Classifications

IBEW employees in the following classifications, hired on or after 1/1/2013 at the Open Class wage, will be eligible for annual wage increases to reach the Closed Class wage by 2025:

- Power System Operator Series
- Distribution System Operator Series
- Hydro Operator Series
- Line Equipment Operator job class
- Materials Specialist III & IV job classes

# Wages (continued)

- Double time for all overtime, starting in 2022 in exchange for travel time no longer being paid on employee alternate day off (ADO) or Saturday.
- Pay increase for short notice on-call on Saturdays, Sundays, and SMUD-paid holidays
- Wage premium increases:
  - Commercial Class A or B
  - Certified Asbestos Workers
  - Crane Certification



# Health Care Benefits

- Medical Premium % Employee Cost Sharing will remain at 12.5% (the 2021 % cost sharing) for the HMO plans for the term of this successor MOU

# Deferred Compensation Benefits

SMUD's contributions to IBEW employee deferred compensation accounts will increase as follows:

- As of 2022, SMUD will match an eligible IBEW employee's contributions up to \$1200 each year.
- SMUD will make additional direct contributions to eligible PEPRA CalPERS employees (hired as of 1/1/13) starting in 2022, with a range of \$25 more per month up to \$100 per month (more than Classic CalPERS employees) by 2025, depending upon an employee's years of service.

## In Summary

This successor MOU between SMUD and the IBEW:

- Represents a fair and financially responsible outcome for SMUD, our customers, and the IBEW employees:
  - Meets SMUD's financial targets
  - Maintains competitive pay with a total compensation package to attract and retain a safe and engaged IBEW workforce
- Preserves positive relations with the IBEW Local 1245