



Side-Letter 2021

Tentative Agreement (Total Cumulative Cost; SFMTA Only)

Last Updated on 06/15/2021

**Local 6 - Additional Cost (Savings)**

The proposals included in this side-letter reflect new programs that are not included in the current [Collective Bargaining Agreement](#) covering the periods of July 1, 2019 to June 30, 2022 between the San Francisco Municipal Transportation Agency and the International Brotherhood of Electrical Works, Local 6.

TOPIC	PROPOSED CHANGE	FY2021-22
Signing Bonus	Newly hired employees, appointed into an Overhead Line Classification, shall receive a one-time Signing Bonus of Twenty Thousand Dollars (\$20,000) in exchange for signing a Repayment Agreement that requires either Qualifying Service or repayment of the Signing Bonus.	\$220,000
Relocation Reimbursement	Candidates who live over one hundred (100) miles outside of the geographic boundaries of the City and County of San Francisco and who relocate in connection with an appointment to an Overhead Line Classification are eligible for reimbursement of relocation expenses up to Twenty Thousand Dollars (\$20,000) in exchange for signing a Repayment Agreement that requires either Qualifying Service or repayment of the Relocation Reimbursement.	\$60,000
Referral Bonus	An active SFMTA employee in one of the Overhead Line Classifications who refers a new applicant for any Overhead Line Classification is eligible to receive a Referral Bonus.  The Referral Bonus shall be in the amount of Two Thousand Five Hundred Dollars (\$2,500), with One Thousand Two Hundred Fifty Dollars (\$1,250) payable to the referring employee upon the referred new applicant's successful appointment to SFMTA in an Overhead Line Classification, and with an additional One Thousand Two Hundred Fifty Dollars (\$1,250) payable upon the new applicant's successful completion of 1040 regularly scheduled hours worked.	\$12,500
Overtime Reduction	Overtime reduction, if actively managed, could provide significant cost savings to the Agency. If reductions are able to be managed to the 10% level, the Agency would save \$173K in FY 2021-22.	(\$173,164)
<b>Total (\$)</b>		<b>\$119,336</b>

The proposals included in this side-letter reflect an estimated cost to SFMTA of \$119,336 in FY 2021-22. These programs will be funded by the FY 2021-22 SFMTA operating budget and do not require a supplemental appropriation. Additionally, the proposals may result in a net cost savings to the agency through reduced overtime.

Basis for analysis:

<b>Assumption</b>	<b>Alternative Scenario Assumptions</b>
Vacancy Reduction Rate (Rate by which vacancies are annually reduced)	50%
Signing Bonus	\$20,000
Percentage of Hires Retained	80%
Employee Referral Bonus	\$2,500
Percentage of Hires Referred	30%
Relocation Expense per Qualifying Employee	\$20,000
Percentage of Hires Qualifying for Relocation (Relocating from >100 miles)	5%
Annual Pay Increase COLA	
Percentage Reduction in OT Annually	10%

Additional Notes:

- FY 2019-20 budgeted positions and vacancies used in base year
  - 7235 base vacancy rate of 45%
  - 7310 base vacancy rate of 67%
  - 7366 base vacancy rate of 44%
  - 7432 base vacancy rate of 0%
- [Employee referrals account for 30% of hires](#)
- The following two classifications have been excluded from the analysis given that there have not been expenditures in these classifications since 2013: a) 7308 Cable Splicer, b) 7354 Apprentice Power Line Worker 1.