



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jennifer Schembri

SUBJECT: See below

DATE: September 16, 2024

Approved

Date:

9/25/24

COUNCIL DISTRICT: Citywide

SUBJECT: Amendments to Voluntary Employees Beneficiary Association (VEBA) Advisory Committee Quorum and Voting

RECOMMENDATION

Approve an ordinance amending Sections 2.08.090 and 2.08.095 of Chapter 2.08 of Title 2 of the San José Municipal Code to revise the quorum and voting requirements relating to the Voluntary Employees Beneficiary Association Advisory Committee.

SUMMARY AND OUTCOME

The recommendation stems from challenges faced by the Voluntary Employees Beneficiary Association Advisory Committee (VAC) in meeting its quorum requirements, which have led to meeting cancellations and delays in conducting important business. Reducing the required quorum from four to three members will align with the majority of other City committees and commissions and allow greater flexibility in attendance to ensure the continuity of committee operations.

BACKGROUND

The VAC was established in 2018 and is responsible for the oversight and administration of the Voluntary Employees Beneficiary Association plans. The VAC meets quarterly and consists of five members with four year terms:

- a) One active member of the San José Firefighters, IAFF Local 230;
- b) One active member of the San José Police Officers' Association;
- c) Two active members of the Federated Unions; and
- d) One active member of unrepresented employees.

In the event of a term expiring or a mid-term vacancy, the Human Resources Department partners with the City Manager's Office of Employee Relations to conduct a process to nominate and recommend a replacement. The nomination and approval process can take approximately 60 to 90 days to complete.

As with many City Council, board, and committee meetings, the VAC meetings have reverted to being held in person, pursuant to the Brown Act, and some VAC members have been unable to attend one or more meetings due to City business or other types of excused absences. There have been multiple occasions when the VAC meetings were canceled entirely or were moved to alternate dates due to a lack of a quorum.

Because it has been challenging to find and retain VAC members, the Human Resources Department discussed the challenges with the VAC members, and in reviewing the required quorum rules, it was found that the VAC is the only committee in the City that requires more than a majority to establish a quorum. Each absence or vacancy has an impact on meetings because the current quorum is four VAC members. Further, to conduct business, four members need to be present in person to act. So, if one member attends virtually, there could be a risk that the in-person quorum is not reached if one other member is unable to attend a meeting. This impacts VAC business, such as committee discussion, approval of budgets, fiduciary insurance, and vendor selection/agreements. While meeting dates can be changed, the challenges remain for any new date selected, and some actions are time sensitive.

ANALYSIS

As stated above, the VAC is the only committee that requires more than a majority to establish a quorum. Reducing the currently required quorum of four members to three members will allow additional flexibility for the committee to continue to conduct business.

In December of 2023, City Manager's Office of Employee Relations reached out to representatives of each City union to inform them of the quorum challenges the VAC has experienced and proposed to alleviate them by aligning the quorum rules to match the City's standard that requires a majority of the total numbers of seats for a quorum; in this case three members. In May 2024, a follow-up e-mail was sent to the representatives with a side letter outlining the proposed changes. As of July 23, 2024, all unions have agreed to the proposed change and executed a side letter agreement to effectuate this change, as provided in the **attachment**.

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EVALUATION AND FOLLOW-UP

If the City Council approves the proposed ordinance for publication, the ordinance will be placed on the City Council agenda for final approval on October 15, 2024, and will become effective 30 days thereafter. Upon final approval, the Human Resources Department will inform the committee of the updated quorum and continue to follow the Rules of Order as they continue normal VAC operations.

COORDINATION

This preparation of this report has been coordinated with the City Attorney's Office, the City Manager's Budget Office, and the City Manager's Office of Employee Relations.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the October 8, 2024 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

The VAC was consulted and verbally agreed to the proposed solution during Item 2 at its September 20, 2023 regular meeting.

CEQA

Not a Project, File No. PP17-008, General Procedure and Policy Making resulting in no changes to the physical environment.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.


Jennifer Schembri
Deputy City Manager

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Quorum and Voting**

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For questions, please contact Amy Morton, Senior Analyst, Human Resources, at amy.morton@sanjoseca.gov or (408) 975-1425.

ATTACHMENT – Side Letter Agreement - VEBA Advisory Committee Quorum

SIDE LETTER AGREEMENT

BETWEEN

THE CITY OF SAN JOSE
AND

THE ASSOCIATION OF BUILDING, MECHANICAL AND ELECTRICAL INSPECTORS (ABMEI)
THE ASSOCIATION OF ENGINEERS AND ARCHITECTS, IFPTE LOCAL 21 (AEA)
THE ASSOCIATION OF LEGAL PROFESSIONALS (ALP)
THE ASSOCIATION OF MAINTENANCE SUPERVISORY PERSONNEL, IFPTE LOCAL 21 (AMSP)
THE CITY ASSOCIATION OF MANAGEMENT PERSONNEL, IFPTE LOCAL 21 (CAMP)
THE SAN JOSE FIRE FIGHTERS, IAFF LOCAL 230 (IAFF)
THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL NO. 332 (IBEW)
THE MUNICIPAL EMPLOYEES' FEDERATION, AFSCME LOCAL NO. 101 (MEF)
THE INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL NO. 3 (OE#3)
THE SAN JOSE POLICE DISPATCHERS' ASSOCIATION (SJPDA)
THE SAN JOSE POLICE OFFICERS' ASSOCIATION (POA)
PEACE OFFICER PARK RANGER ASSOCIATION (POPRA)

VEBA Advisory Committee Quorum

The City and the twelve (12) bargaining units agree to the language changes below regarding the Voluntary Employees' Beneficiary Associate (VEBA) Advisory Committee:

Meetings

1. The VAC shall meet quarterly, or more frequently if the VAC deems it necessary.
2. With the exception of closed sessions, meetings of the Trustees shall be open to interested persons and follow the City of San Jose's open meeting rules and applicable law. The City will provide the meeting space necessary and will provide any necessary instruments to record the meetings pursuant to the open meeting rules.
3. A quorum of Trustees shall be necessary to conduct VAC business. A quorum shall consist of ~~four~~ three (34) Trustees; but a lesser number may adjourn a meeting or adjourn a meeting to a stated time. In the absence of all the members of the VAC from any meeting, the Secretary of the VAC may adjourn the meeting or adjourn the meeting to a stated time.
4. All VAC action requires an affirmative vote of at least three (3) Trustees, regardless of vacancies and regardless of whether the meeting consists of the full five-person Committee or the minimum ~~four~~ three-person quorum.

FOR THE CITY:



Jennifer Schembri
Director of Employee Relations/
Director of Human Resources

7/23/2024

Date



Cheryl Parkman
Assistant to the City Manager

6/28/2024

Date

Side Letter Agreement – VEBA Advisory Committee Quorum

June 20, 2024

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FOR THE UNIONS:

John Tucker
AFSCME Local 101
Date

Jeremy Cabaccang
OE#3/POPRA
Date

Julie Jennings
President, CAMP
Date

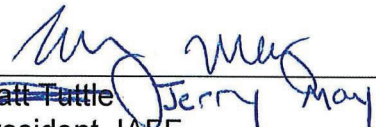
Terra Chaffee
President, ALP
Date

Jesse Perez
President, AMSP
Date

Frank Crusco
Chief Steward, IBEW
Date

Mary Reed
President, ABMEI
Date

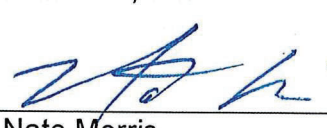
Florin Lapustea
President, AEA
Date


~~Matt Tuttle~~ Jerry May
President, IAPF
Date

6/27/24

Steve Slack
President, POA
Date

Krista De La Torre
IFPTE Local 21
Date


Nate Morris
IBEW
Date

6/24/24

Nick Rovetto
President, MEF
Date


Mary Sunzeri
President, SJPDA
Date

Side Letter Agreement – VEBA Advisory Committee Quorum

May xx, 2024

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FOR THE UNIONS:

_____ John Tucker AFSCME Local 101	_____ Date	_____ Jeremy Cabaccang OE#3/POPRA	_____ Date
_____ Julie Jennings President, CAMP	_____ Date	_____ Terra Chaffee President, ALP	_____ Date
_____ Jesse Perez President, AMSP	_____ Date	 Frank Crusco Chief Steward, IBEW	<u>6-18-2024</u> _____ Date
_____ Mary Reed President, ABMEI	_____ Date	_____ Florin Lapustea President, AEA	_____ Date
_____ Matt Tuttle President, IAFF	_____ Date	_____ Steve Slack President, POA	_____ Date
_____ Krista De La Torre IFPTE Local 21	_____ Date	_____ Nate Morris IBEW	_____ Date
_____ Nick Rovetto President, MEF	_____ Date	_____ Mary Sunzeri President, SJPDA	_____ Date

Side Letter Agreement – VEBA Advisory Committee Quorum

June 20, 2024

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Jeremy Cabaccang 6/28/24

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June 20, 2024

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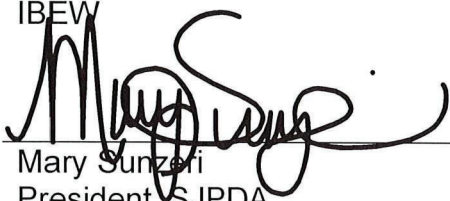
Mary Sunzeri
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June 20, 2024

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Nick Rovetto President, MEF	Date	 Mary Sunzeri President, SJPDA	7-22-24 Date

Side Letter Agreement – VEBA Advisory Committee Quorum

June 20, 2024

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<i>N. Rovetto</i> Nick Rovetto President, MEF	June 27, 2024 Date	Mary Sunzeri President, SJPDA	Date

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AFSCME Local 101

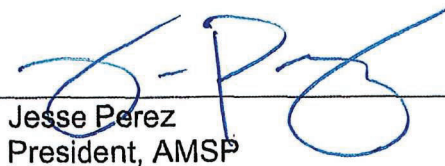
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