

**SIDE LETTER AGREEMENT BETWEEN  
THE CITY OF BURBANK AND  
THE BURBANK MANAGEMENT ASSOCIATION (BMA)**

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On October 29, 2019 the City Council approved the BMA Memorandum of Understanding (MOU) dated January 1, 2019 through June 30, 2022 by adopting resolution number 19-29,116. The adopted resolution provides authority to the Department Manager, after consultation with Management Services and with City Manager approval, to review and adjust total compensation in order to address recruitment and retention issues on a case-by-case basis. These adjustments are commonly known as “equity adjustments.”

In order to address a recruitment and retention issue, the General Manager, Burbank Water & Power, has identified the need for an equity adjustment for four (4) positions:

Manager – Communications Systems  
Manager – Electrical Equipment  
Manager – Electrical Distribution  
Principal Power System Operator

The Burbank Management Association (BMA) represents all of these positions.

The four (4) positions all supervise direct reports who are all members of the International Brotherhood of Electrical Workers (IBEW) bargaining unit. IBEW employees are eligible for significant additional compensation opportunities beyond their base salaries, namely hourly overtime earnings. When an IBEW employee promotes to a BMA managerial position, the employee loses opportunities to earn hourly overtime pay, making the managerial positions less desirable in terms of cash compensation, which hampers BWP’s ability to recruit internal candidates to these key positions. To address this issue, the salaries for the BMA titles have historically been set at a certain percentage above the IBEW titles they supervisor (typically 20%), or the average of the BMA relevant market, whichever is higher.

During the January 1, 2019 BMA Memorandum of Understanding (MOU) negotiations, the City and BMA agreed that the four BMA manager salaries continue to be benchmarked at a percentage above their IBEW subordinates, as follows:

Manager – Communications Systems is benchmarked 20% above Communications Technician Supervisors  
Manager – Electrical Equipment is benchmarked 20% above Test Technician Supervisors  
Manager – Electrical Distribution is benchmarked 20% above Line Mechanic Supervisors  
Principal Power System Operator is benchmarked 15% above Power System Operator IIs

Currently, IBEW wages are adjusted annually. Conversely, these four BMA managers’ wages are only adjusted to 20% above their IBEW direct-reports when a new BMA MOU is approved. Therefore, the wages of the above managers may drop below the defined percentage difference noted above until a new BMA MOU is approved.

Due to this relationship, BWP is experiencing a retention and recruitment issue with these positions as qualified candidates are not attracted to apply to these management positions and existing managers are being actively recruited to join other utilities or are planning to retire within the next 12 months.

In addition, the Principal Power System Operator is especially difficult to recruit. Principal Power System Operator is a highly specialized position that requires significant power system experience in order to supervise Power System Operators at the Energy Control Center who, in turn, safely operate Burbank's power system 24 hours a day in the most reliable, cost-effective, and sustainable manner possible. Experience has shown that BWP Power System Operator IIs are both the most qualified candidates for the Principal Power System Operator role and highly unlikely to apply for Principal Power System Operator openings given the pay disparity. Therefore, in order to attract the most qualified candidates, and address this disparity, BWP is requesting that the benchmark survey be changed from 15% to 20% for this classification.

The below chart details the current salaries of the Manager position and the subordinate Supervisor positions. As shown, the delta between the Manager positions and their IBEW direct-reports is no longer in alignment with the delta that was included in the BMA salary survey.

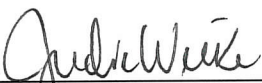
<b>Title</b>	<b>Current Top of Range</b>	<b>% of Direct Report</b>
Manager Communications Systems	\$12,447.09	7.36% above Subordinate
IBEW Direct Report: Communications Tech Supervisor	\$11,594.12	
Manager, Electrical Distribution-G	\$16,152.61	14.84% Above Subordinate
IBEW Direct Report: Line Mechanic Supervisor-G	\$14,065.31	
Manager, Electrical Distribution	\$15,238.30	14.84% Above Subordinate
IBEW Direct Report: Line Mechanic Supervisor	\$13,269.21	
Manager, Electrical Equipment	\$14,182.91	16.09% Above Subordinate
IBEW Direct Report: Tech Technician Supervisor	\$12,216.79	
Principal Power System Operator	\$13,551.87	10% Above Subordinate
IBEW Direct Report: Power System Operator II	\$12,320.23	

To address this issue, provide reasonable incentive, and assist in the recruitment and retention of the four BMA management positions, the City and BMA agree to provide the percentage increase listed in Column 4 below for the respective classifications. The incumbents in these classifications will also receive the percentage increase below, which will not be included in the 7.5% Range Movement that is available at the Department Executive's discretion pursuant to MOU Article II.C.2.

Column 1 Title	Column 2 Current Top of Range	Column 3 Proposed new Salary	Column 4 Proposed % Increase
Manager Communications Systems	\$12,447.09	\$13,912.95	11.78%
IBEW Direct Report: Communications Supervisor	\$11,594.12		
Manager, Electrical Distribution-G	\$16,152.61	\$16,878.96	4.50%
IBEW Direct Report: Line Mechanic Supervisor-G	\$14,065.31		
Manager, Electrical Distribution	\$15,238.30	\$15,924.03	4.50%
IBEW Direct Report: Line Mechanic Supervisor	\$13,269.21		
Manager, Electrical Equipment	\$14,182.91	\$14,660.14	3.36%
IBEW Direct Report: Tech Technician Supervisor	\$12,216.79		
Principal Power System Operator	\$13,551.87	\$14,784.27	9.09%
IBEW Direct Report: Power System Operator II	\$12,320.23		

**Date Signed by City Manager:**

**Effective Date:** April 18, 2021

  
 \_\_\_\_\_  
 Justin Hess  
 City Manager

  
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 Michael Carson  
 BMA President

  
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 Betsy McClinton  
 Management Services Director

Approved as to Form:

  
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 Amy Albano  
 City Attorney

cc: Julianne Venturo, Assistant Management Services Director  
 Juliana Demers, Deputy Financial Services Director