



CITY COUNCIL AGENDA ITEM COVER SHEET

FROM: Chad Bedlington, Director of Public Works

DATE: February 28, 2024

AGENDA ITEM TITLE: Information Technologies (IT) Project Update (Amended 02/26/24)

SUMMARY

City staff has continued to look for improved opportunities to self-serve and provide limited external I.T. services. With that effort, it has been determined that the lowest cost alternative is to provide a highbred service model that provides day-to-day Network Administrative and desktop support to be performed by existing, qualified, in-house personnel. This conclusion was made based on an updated cost-benefit analysis that is attached. That analysis showed savings of up to \$76,800/year if the city does not try to exclusively utilize an outside vendor for I.T. services that will typically amount to about 10 hours per week once the implementation project is completed, but with a significantly higher cost of service than budgeted. The attached cost analysis covers the hours needed for City staff to complete the initial I.T. implementation strategy for our server and support systems and software. Further, it is the opinion of staff that there are several security elements to supported departments (specifically Police) that require extensive background checks and clearances to support the data acquisition and management that may not be approved utilizing a third-party vendor. These are all driving forces to consider in-house services as our best alternative to support City operations across the board.

The City has worked with the International Brotherhood of Electrical Workers (IBEW) union to amend the existing Collective Bargaining Agreement (CBA) via a Memorandum of Understanding (MOU) to establish an out-of-class position of I.T. Network Administrator and establish guidelines for administration of any out-of-class work. The proposed MOU is attached for Council consideration. By approving this option, the City feels that it can provide the most cost effective and responsive option to perform the functions needed to support City staff and the public at significant potential cost savings. At this time, the proposed additional position class should also be considered limited term for only the remainder of the existing IBEW contract ending in December 2025.

FISCAL IMPACT

By not exclusively outsourcing I.T. services, the City can save a minimum of \$42,800/year when compared to the recent cost proposals received from our vendor. It is anticipated that the average annual cost to the City to have I.T. functions conducted internally is between \$10,000 and \$11,200 a year. The current anticipated I.T. budget for outsourced work for 2024 is \$54,000, which can be significantly reduced if functions are completed internally.

RECOMMENDATION/ACTION REQUESTED

Approve the IBEW MOU whereby allowing the conditional addition of an I.T. Network Administrator to the CBA and allow for part-time out-of-class services in accordance with the modifications to the CBA.

2024 IT Services Proposals

Professional Service Lines Approved in Budget	Current Budget for outsource	Percentage split per fund		New Budget for outsource - Aktivov	increase to each fund		New Cost for Inhouse Support	Budget for in house time out of class est. at 540 hours in 2024	decrease to each fund
							540 hours out of class		
Current Expense - Admin	\$ 5,000.00	9.26%		\$ 8,148.15	\$ 3,148.15			\$ 1,037.04	\$ 3,962.96
Current Expense- Police	\$ 10,000.00	18.52%		\$ 16,296.30	\$ 6,296.30			\$ 2,074.07	\$ 7,925.93
Light and Power	\$ 15,000.00	27.78%		\$ 24,444.44	\$ 9,444.44			\$ 3,111.11	\$ 11,888.89
Water	\$ 10,000.00	18.52%		\$ 16,296.30	\$ 6,296.30			\$ 2,074.07	\$ 7,925.93
Sewer	\$ 12,000.00	22.22%		\$ 19,555.56	\$ 7,555.56			\$ 2,488.89	\$ 9,511.11
Storm	\$ 2,000.00	3.70%		\$ 3,259.26	\$ 1,259.26			\$ 414.81	\$ 1,585.19
TOTAL	\$ 54,000.00			\$ 88,000.00	\$ 34,000.00		\$ 11,200.00	\$ 11,200.00	\$ 42,800.00
									savings to all funds

Original Budget \$ 54,000.00
 Proposed New Scope of Work Cost - Aktivov \$ 88,000.00
 Proposed cost for Internal out of Class \$ 11,200.00

Decrease to the budget for in house as current \$ 42,800.00
 Decrease to budget with new Aktivov Scope \$ 76,800.00

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF McCLEARY, WA
AND THE
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL NO. 77

This Memorandum of Understanding is entered into by the City of McCleary, WA (City) and the International Brotherhood of Electrical Workers Local No. 77 (IBEW), with the intent to allow proper communication between the parties listed above and in accordance with Article 8 Employee Compensation within the Collective Bargaining Agreement.

In 2023, the parties bargained and signed a Collective Bargaining Agreement with a term of January 1, 2023 to December 31, 2025. Wage tables are outlined with this Agreement for represented union positions. It is the desire of the City and IBEW to amend an additional job classification to the wage tables beginning in 2023 and be added into the Collective Bargaining Agreement. Wages for the position have been bargained between both parties in good faith and based on a mutual review of position market conditions.

It is also the desire of the City and IBEW to amend existing language in article 8.9 of the Collective Bargaining Agreement. The amendment is being sought to expand and correct the language contained within article 8.9 for Out of Class Premium, and to allow for appropriate compensation for employees working out of class.

Therefore, it is mutually agreed by the parties, that the current Agreement is amended as follows:

- **A new position class of “IT Network Administrator” is hereby added to the 2024 and 2025 wage tables of the Collective Bargaining Agreement as attached. This position is added on a trial basis’s spanning the current contract period.**
- **Modification of existing language within article 8.9 to read as follows: “Out of Class Premium – Any employee assigned by the employer to work out of classification within the bargaining unit shall be paid at the higher classification rate of pay. If the employee is within a step progression position, compensation shall be paid at the same step they are currently in for their classification in the higher classification scale for each hour worked out of class. If an employee is assigned to perform work outside of the bargaining unit equal to an existing exempt position, the employee will receive compensation at the rate of 15% above their current hourly rate for all hours worked out of class. The power and light crew will receive the appropriate rate of pay after four (4) hours worked out of class.”**

Be it further agreed that the parties represent that any and all bargaining obligations concerning the matters expressed herein have been fulfilled. Additionally, that this Memorandum of Understanding shall be pursuant to the terms of Article 14 Grievance Procedures, should there be any dispute regarding the interpretation and/or application of this memorandum.

Agreed to by Chris Miller
Mayor

Jason Trotter, Business Agent
IBEW Local No. 77

Jenna Amsbury
Clerk Treasurer

Rex Habner, Business Manager
IBEW Local No. 77

2024 Wage Table (4% Increase over the 2023 wage scale)

OTHER REPRESENTED POSITIONS

Classification	Step A	Step B	Step C	Step D	Step E	Step F
Office Clerk	No Change					
Public Works Planning Assistant	No Change					
Utility Accounts Manager	No Change					
Building Official	No Change					
Deputy City Clerk Treasurer	No Change					
IT Network Administrator	\$7,343	\$7,602	\$7,860	\$8,119	\$8,377	\$8,636

2025 Wage Table (3% Increase over the 2024 wage scale)

OTHER REPRESENTED POSITIONS

Classification	Step A	Step B	Step C	Step D	Step E	Step F
Office Clerk	No Change					
Public Works Planning Assistant	No Change					
Utility Accounts Manager	No Change					
Building Official	No Change					
Deputy City Clerk Treasurer	No Change					
IT Network Administrator	\$7,563	\$7830	\$8,096	\$8,362	\$8,629	\$8,895