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OAKLAND

2019 OCT 31 PM 3:55

AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Ian Appleyard
Human Resources
Management Director

SUBJECT: MOU Approval Between the City of
Oakland and SEIU, LOCAL 1021 and
Salary Ordinance Amendment

DATE: November 1, 2019

City Administrator Approval

Date:

10/31/19

RECOMMENDATION

Staff Recommends That City Council:

1) Adopt A Resolution Approving The Tentative Agreement To The Memorandum Of Understanding Between The City Of Oakland And The Service Employees International Union ("SEIU"), Local 1021 Representing Employees In Representation Units SB1, SC1, SD1, AND SI1 Covering The Period From Of July 1, 2019 Through June 30, 2021 And;

2) Amend The Salary Schedule Of Ordinance No. 12187 C.M.S. ("Salary Ordinance") To Provide Wage Increases To Represented Employees In Representation Units SB1, SC1, SD1, and SI1 Pursuant To The Tentative Agreement To The Memorandum Of Understanding Between The City Of Oakland And The Service Employees International Union, Local 1021; The Wage Increases Shall Be As Follows: An Increase Of 1% Effective The First Full Pay Period Following July 1, 2019; Increase Of 1% Effective The First Full Pay Period Following November 1, 2019; Increase Of 1% Effective The First Full Pay Period Following January 1, 2020; Increase Of 2% Effective The First Full Pay Period Following July 1, 2020; And An Increase Of 1% Effective The First Full Pay Period Following January 1, 2021; A) Provide Wage Increases To Represented Employees In Representation Units IE1, TV1, U31 As Follows: An Increase Of 1% Effective The First Full Pay Period Following January 1, 2020 And An Increase Of 1% Effective The First Full Pay Period Following January 1, 2021 and B) Provide Wage Increases To The Salaries Of Certain Unrepresented Employees In Representation Units CON, TL1, U51, US1 UG1, UP1, UK1, UK2 As Follows: An Increase Of 1% Effective The First Full Pay Period Following January 1, 2020 And An Increase Of 1% Effective The First Full Pay Period Following January 1, 2021.

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EXECUTIVE SUMMARY

The City of Oakland has reached a tentative agreement on wages and other terms and conditions of employment with the Service Employees International Union, Local 1021 ("SEIU" or "Union"). The term of the agreement is from July 1, 2019 through June 30, 2021 and includes, but is not limited to, the following revisions to the Memorandum of Understanding ("MOU"): the addition of classifications eligible to receive the Homeless Encampment Premium, increase to the safety-shoe voucher amount, revisions to Traumatic Incident Leave, increases to the tool allowances for certain classifications, and revisions to vacation and sick leave sell-back to account for constructive-receipt tax implications. The proposed amendment to the Salary Ordinance has been prepared to provide a wage increase of one percent (1%) effective the first full pay period following July 1, 2019; an increase of one percent (1%) effective the first full pay period following November 1, 2019; an increase of one percent (1%) effective the first full pay period following January 1, 2020; an increase of two percent (2%) effective the first full pay period following July 1, 2020; and an increase of one percent (1%) effective the first full pay period following January 1, 2021.

Pursuant to "me too" agreements with the International Brotherhood of Electrical Workers ("IBEW"), Local 1245 and Confidential Management Employee Association ("CMEA"), the wages of employees represented by those two unions must be increased to match certain increases being provided to members of SEIU. Additionally, pursuant to Ordinance No. 12903 C.M.S., the City Administrator determined that unrepresented employees shall receive the same wage increase as members of CMEA. Accordingly, an additional proposed amendment to the Salary Ordinance has been prepared to provide wage increases to certain employees in representation units IE1, TV1, and U31 and unrepresented employees in representation units CON, TL1, U51, US1, UG1, UP1, UK1, UK2, as follows: an increase of one percent (1%) effective the first full pay period following January 1, 2020 and an increase of one percent (1%) effective the first full pay period following January 1, 2021.

BACKGROUND/LEGISLATIVE HISTORY

The current Memorandum of Understanding (MOU) between the City of Oakland and the SEIU expired on June 30, 2019. Since February 2019, the City and SEIU negotiation teams met regularly in an effort to sign off on a comprehensive successor agreement. A small but significant number of issues could not be resolved jointly through formal labor negotiations and became subject to the fact-finding process under the Meyers-Milias Brown Act. The parties participated in fact finding for three days, with the last day resulting in a comprehensive tentative agreement.

ANALYSIS

Approval of the proposed Resolution is necessary to adopt the Tentative Agreement for incorporation into the successor MOU between the City and SEIU. The SEIU ratification vote was held on or about October 29-31, 2019 and members passed the Tentative Agreement.

The Agenda Report, Ordinance, and Resolution are prepared for Council approval and authorization following Union ratification. A Salary Ordinance amendment requires two readings, so it will be presented for its first reading on November 5, 2019, for consideration and approval and a second reading at the first City Council meeting in November 19, 2019. If for any reason the Tentative Agreement/MOU is not finalized or approved, the Salary Ordinance amendment could be canceled or delayed if required. The following is a summary of the key provisions of the tentative agreements, excluding the numerous tentative agreements reached on non-substantive, cleanup language:

Article 5: Compensation. An increase of one percent (1%) effective the first full pay period following July 1, 2019; an increase of one percent (1%) effective the first full pay period following November 1, 2019; increase of one percent (1%) effective the first full pay period following January 1, 2020; increase of two percent (2%) effective the first full pay period following July 1, 2020; and an increase of one percent (1%) effective the first full pay period following January 1, 2021

Homeless Encampment Cleanup Premium. Added to the list of eligible unit members who can receive this premium to include Heavy Equipment Operators assigned to the Keep Oakland Clean and Beautiful (KOCB) Division of Oakland's Public Works Department (OPW) who are assigned and scheduled to clean or clear a homeless encampment. Eligible employees will receive an additional ninety-six cents (\$0.96) per hour for all hours of the work cleaning, clearing or providing garbage service to a homeless encampment that has been posted for 72 hours in advance and/or accompanied by a police escort.

Tool Allowance. The tool allowance for Auto Equipment Mechanic, Heavy Equipment Mechanic, Equipment Body Repair Worker, and Electro-Mechanical Machinist is increased to \$625/year. The tool allowance for Plumber, Construction and Maintenance Mechanic, Carpenter, and Maintenance Mechanic is increased to \$300/year.

Discipline. The City and Union will work together to schedule a *Skelly* hearing at a mutually agreeable date and time if an extension (may not exceed fifteen (15) working days) is requested.

Initial Salary. The appointing authority may appoint a new employee at any step in the salary schedule if there has been unusual difficulty in recruiting and retaining competent employees in the position.

Bilingual Pay. Employees in the classification of Police Communication Dispatcher and Fire Communication Dispatcher will receive bilingual pay at the rate of \$0.60/hour if certified and designated as Level 1 and \$1.20/hour if certified and designated as Level 2.

Safety Shoes Voucher. Added the classification of Environmental Enforcement Officer and increased the annual voucher amount to two hundred dollars (\$200.00).

Commuter Check Program. The City agrees to pay the monthly administrative fee, not to exceed \$5.00 per month, for those unit members participating in this program.

Traumatic Incident Leave. Revisions to the MOU section that provides EAP services and possible paid administrative leave to unit members who experience qualifying traumatic incidents while on duty.

Return to Work Pay. Revise the title of this MOU provision to make it clear that employees are entitled to a minimum of two and one half (2.5) hours of pay at the regular rate of pay when they are required to return to work after leaving at the end of a shift.

Compensatory Time Off. The City and Union agree that the City makes no representation as to the tax implications of carrying over compensatory time over between tax years.

Article 8 Sick Leave Sell Back. Eligible employees may no longer sell back accrued sick leave but may convert it to vacation leave at the ratio of two sick days to one vacation day up to a maximum of six vacation days.

Article 10 Vacation Sell Back. Employees must pre-elect vacation sell back requests to avoid constructive receipt tax implications. The parties agree to a hardship exception.

Article 13 Bloodborne Pathogen Training Job Classifications. Add the classifications of Environmental Officer, Fire Prevention Bureau Inspector, Fire Suppression District Inspector and Specialty Combination Inspector, Senior to the City's bloodborne pathogen training.

Confined Space and Hazardous Atmosphere Training. Revise the classifications to include Animal Control Officer, Fire Prevention Bureau Inspector, Fire Suppression District Inspector, Specialty Combination Inspector, Senior Specialty Combination Inspector, Police Evidence Technician, Street Maintenance Leader and Street Maintenance Worker in the City's Confined Space Training and Hazardous Atmosphere Training.

Ergonomics. Unit members are directed to Risk Management for assistance with ergonomic requests.

Article 14 Annual Performance Appraisal Deadline. An employee who does not receive a timely performance appraisal will be deemed "Full Effective" only for the purpose of order of layoff tiebreakers and for pilot programs offered by the City.

Temporary Part-Time Release Notification. The City will notice the Union upon the release of an S11 employee.

FISCAL IMPACT

The cost of the labor agreement with SEIU, Local 1021, covering July 1, 2019, through June 30, 2021, is approximately \$13.0 million over two fiscal years (\$4.2 million in FY 2019-20 and \$8.8 million in FY 2020-21). The total cost of the wage increase for CMEA and IBEW 1245 including the impact of the "me too" provision is \$0.9 million over the two fiscal years (\$0.3 in FY 2019-20 and \$0.6 million in FY 2020-21). The total costs associated with the contracts include general wage increases and other economic provisions that will be absorbed within existing departmental budgets. The first year cost of the agreements – including the CMEA and IBEW 1245 adjustments – can be supported by existing appropriations in FY 2019-20. The second year costs of the agreements will be addressed in the FY 2020-21 Mid-Cycle Budget Amendment process as the adopted budget does not have sufficient appropriations.

PUBLIC OUTREACH / INTEREST

No public outreach was required other than posting on the City's website.

SUSTAINABLE OPPORTUNITIES

Economic: There are no economic opportunities associated with this report.

Environmental: There are no environmental opportunities associated with this report

Social Equity: There are no social equity opportunities associated with this report.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council:

- 1) Adopt A Resolution Approving The Tentative Agreement To The Memorandum Of Understanding Between The City Of Oakland And The Service Employees International Union ("SEIU"), Local 1021 Representing Employees In Representation Units SB1, SC1, SD1, AND S11 Covering The Period From Of July 1, 2019 Through June 30, 2021 And;

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Union, Local 1021; The Wage Increases Shall Be As Follows: An Increase Of 1% Effective The First Full Pay Period Following July 1, 2019; Increase Of 1% Effective The First Full Pay Period Following November 1, 2019; Increase Of 1% Effective The First Full Pay Period Following January 1, 2020; Increase Of 2% Effective The First Full Pay Period Following July 1, 2020; And An Increase Of 1% Effective The First Full Pay Period Following January 1, 2021; A) Provide Wage Increases To Represented Employees In Representation Units IE1, TV1, U31 As Follows: An Increase Of 1% Effective The First Full Pay Period Following January 1, 2020 And An Increase Of 1% Effective The First Full Pay Period Following January 1, 2021 and B) Provide Wage Increases To The Salaries Of Certain Unrepresented Employees In Representation Units CON, TL1, U51, US1 UG1, UP1, UK1, UK2 As Follows: An Increase Of 1% Effective The First Full Pay Period Following January 1, 2020 And An Increase Of 1% Effective The First Full Pay Period Following January 1, 2021.

For questions regarding this report, please contact Ian Appleyard, Human Resources Management Director, at (510) 238-6450.

Respectfully submitted,



Ian Appleyard
Director, Human Resources Management

Prepared by:
Allyson E. Cook, Assistant Director
HRM/Employee Relations

Attachments (2):

- A. Wage increases by classification
- B. Tentative Agreements

FILED
OFFICE OF THE CITY CLERK
OAKLAND

DRAFT
City Attorney's Office

2019 OCT 31 PM 3:56

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

INTRODUCED BY COUNCILMEMBER [IF APPLICABLE]

RESOLUTION APPROVING MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OAKLAND AND THE SERVICE EMPLOYEES INTERNATIONAL UNION ("SEIU") LOCAL 1021, REPRESENTING EMPLOYEES IN REPRESENTATION UNITS SB1, SC1, SD1, AND SI1, COVERING THE PERIOD FROM OF JULY 1, 2019 THROUGH JUNE 30, 2021

WHEREAS, the Tentative Agreement to the Memorandum of Understanding to be entered into between the City of Oakland and the Service Employees International Union ("SEIU"), Local 1021 has been presented to the City Council for determination pursuant to Section 3505.1 of the Government Code of the State of California; and

WHEREAS, the key provisions of the Tentative Agreement to the Memorandum of Understanding are described in the Report from the City Administrator dated November 5, 2019; and

WHEREAS, the terms and conditions contained in said Tentative Agreement to the Memorandum of Understanding are in the best interests of the City; now, therefore, be it

RESOLVED: That said Agreement be, and is, hereby approved; and be it

FURTHER RESOLVED: That the provisions of said Tentative Agreement to the Memorandum of Understanding are effective as of July 1, 2019.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO AND
PRESIDENT KAPLAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LATONDA SIMMONS
City Clerk and Clerk of the Council of the
City of Oakland, California