

CITY OF OAKLAND

FILED
OFFICE OF THE CITY CLERK
OAKLAND

AGENDA REPORT

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Department of Human Resources Management
DATE: October 6, 2009

RE: **Resolution Approving (1) Amending the Memorandum of Understanding ("MOU") Between the City of Oakland and the Oakland Police Officers' Association ("OPOA"), (2) Amendments to the MOU Between the City of Oakland Police Management Association ("OPMA"), (3) Sideletter to OPOA MOU regarding Patrol Officer biweekly Schedule; and (4) OPOA Vacation Advancement Agreement**

SUMMARY

The City of Oakland has reached an agreement with the Oakland Police Officers' Association (OPOA) and the Oakland Police Officer Management Association (OPMA) to amend the current Memorandum of Understandings (MOU) and to extend the duration of the MOUs to June 30, 2013. A previous version of the contract amendments was considered in City Council on July 28, 2009 in Resolution No. 82238 C.M.S., but the language in the resolution was incorrect. The resolution proposed in this report corrects the language errors of the previously considered legislation.

Key amendments to the MOUs include delaying a 4% Cost of Living Adjustment (COLA) that was a part of an arbitration award and due to start July 1, 2009. The agreement delays the COLA to January 1, 2013.

Other key components of the agreement are:

- reducing the number of paid holidays by six for three fiscal years (OPOA and OPMA);
- assumption of 2% of the employee paid member retirement contribution (EPMC) beginning January 1, 2013 (OPOA and OPMA);
- a requirement of five years of service to receive Shift differential pay (OPOA and OPMA); and
- a 5% Master Officer Pay Premium for patrol officers with over 20 years of service and Homeland Security training (OPOA);
- a side letter that gives the City sole discretion to adjust patrol officers' schedule of hours from 84 to 80 hours per pay period (OPOA);
- a sideletter agreement beginning January 1, 2010 and each calendar year thereafter, providing that the City shall advance vacation leave for the amount to be earned in that calendar year (OPOA).

The OPOA and OPMA membership have ratified the proposed amendments.

FISCAL IMPACT

It is estimated that the proposed four-year contract amendment would capture significant savings each year as detailed below. The savings are calculated using the terms of the previous MOU as a basis and

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take into account a 4% COLA which would have gone into effect July 1, 2009 if a new agreement had not been reached. The savings estimates were included as part of the Adopted Fiscal Year 2009-2011 Budget.

Fiscal Impact of OPOA Contract Amendment

Item	SAVINGS PROJECTIONS (in Millions)			
	FY09/10	FY10/11	FY11/12	FY12/13
Delay COLA Increase (4% January 2013)	\$6.1	\$6.1	\$6.1	\$3.0
Six unpaid holidays for three years	\$2.3	\$2.3	\$2.3	--
Decrease patrol officers schedule from 84 to 80hrs/pay period (296 officers) (effective 1/1/2010)	\$0.7	\$1.4	\$1.4	\$1.4
2% EPMC (effective 01/01/2013)				\$0.9
No Shift differential for Patrol officers with less than 5 years of service	\$0.6	\$0.6	\$0.6	\$0.6
5% Master Officer Pay Premium (for Patrol officers with over 20 years of service and Homeland Security training)	\$(0.1)	\$(0.1)	\$(0.1)	\$(0.1)
Savings of Proposal	\$9.6	\$10.3	\$10.3	\$5.8
General Fund Savings (88% of Total)	\$8.5	\$9.0	\$9.0	\$5.1

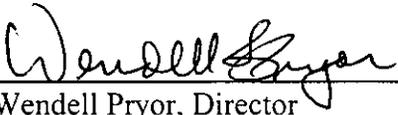
RECOMMENDATION AND RATIONALE

Staff recommends that Council approve the resolution amending the Memorandum of Understandings between the City of Oakland and the Oakland Police Officers' Association and the Oakland Police Management Association. The agreements meet the interests of the City and the bargaining groups and represent a fair and reasonable settlement.

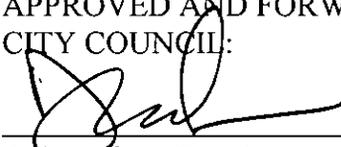
ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that the City Council approve the resolution.

Respectfully submitted,


Wendell Pryor, Director
Department of Human Resources Management

APPROVED AND FORWARDED TO THE
CITY COUNCIL:


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DRAFT

City Attorney

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

Introduced by Councilmember _____

RESOLUTION APPROVING (1) AMENDMENTS TO THE MEMORANDUM OF UNDERSTANDING (“MOU”) BETWEEN THE CITY OF OAKLAND AND THE OAKLAND POLICE OFFICERS’ ASSOCIATION (“OPOA”), (2) AMENDMENTS TO THE MOU BETWEEN THE CITY OF OAKLAND POLICE MANAGEMENT ASSOCIATION (“OPMA”), (3) SIDELETTER TO OPOA MOU REGARDING PATROL OFFICER BIWEEKLY SCHEDULE; AND (4) OPOA VACATION ADVANCEMENT AGREEMENT

WHEREAS, an amendment to the Memorandum of Understanding between the City of Oakland and the Oakland Police Officers’ Association (“OPOA”) and an amendment to the Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association (“OPMA”) have 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 amendments to the OPOA and OPMA MOUs include provisions delaying a previously negotiated Cost of Living Allowance of 4% until January 1, 2013; and

WHEREAS, the amendments to the OPOA and OPMA MOUs include provisions reducing the number of paid holidays by six for three fiscal years; and

WHEREAS, the amendments include provisions that OPOA and OPMA members will assume 2% of the employee paid member retirement contribution beginning January 1, 2013; and

WHEREAS, the amendments to the OPOA and OPMA MOUs include provisions that requires five years of service to receive shift differential pay; and

WHEREAS, the amendment to the OPOA MOU includes a provision for a 5% Master Officer Pay Premium for patrol officers with over 20 years of service and Homeland Security training; and

WHEREAS, the amendments include a side letter to the OPOA MOU that gives the City sole discretion to adjust patrol officers’ schedule of hours from 84 to 80 hours per pay period; and

WHEREAS, the amendments to the OPOA MOU include a sideletter agreement beginning January 1, 2010 and each calendar year thereafter, stating that the City shall advance vacation leave for the amount to be earned in that calendar year; and

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WHEREAS, the provisions of the MOU amendments taken together are estimated to save \$9.6 million in Fiscal Year 2009-2010, \$10.3 million in FY 2010-2011, \$10.3 million in FY 2011-2012, and \$5.8 million in FY 2012-2013; and

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

RESOLVED: That said agreements be, and are, hereby approved; and be it

FURTHER RESOLVED: That the provisions of said amendments to the Memoranda of Understanding are effective as of the date the City Council approves said amendments, unless otherwise specified in said amendments and shall not be retroactive.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT BRUNNER

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

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