



AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Ian Appleyard
Director, Human
Resources Management

SUBJECT: Approve the Tentative Agreement
Between The City of Oakland And
IAFF, Local 55 And Salary
Ordinance Amendment

DATE: January 29, 2020

City Administrator Approval

Date: 2/6/20

RECOMMENDATION

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 International Association of Firefighters, Local 55 Representing Employees In Representation Unit FQ1 For A Term Of November 1, 2020 Through December 31, 2023; And**
2. **Adopt An Ordinance Amending Salary Schedule Of Ordinance 12187 C.M.S. (The Salary Ordinance) To Provide Wage Increases To Represented Employees In Representation Unit FQ1 Pursuant To The Memorandum Of Understanding Between The City Of Oakland And The International Association of Firefighters, Local 55 As Follows: An Increase Of 2.5% Effective The First Full Pay Period Following January 1, 2021; Increase Of 1.5% Effective The First Full Pay Period Following July 1, 2021; Increase Of 2% Effective The First Full Pay Period Following January 1, 2022; Increase Of 1% Effective the First Full Pay Period Following July 1, 2022; Increase of 2% Effective The First Full Pay Period Of December 2023; And An Additional Increase of 2% Effective The First Full Pay Period Following January 1, 2021 For the Classification of Engineer Of Fire; And**
3. **Adopt An Ordinance Amending Salary Schedule Of Ordinance 12187 C.M.S. ("Salary Ordinance") To Provide Wage Increases To The Salaries Of The Unrepresented Chief of Fire, Deputy Chief of Fire Department and Assistant Chief of Fire Department, Representation Units UR1 and UU1; The Wage Increases Shall Be As Follows: An Increase Of 2.5% Effective The First Full Pay Period Following January 1, 2021; Increase Of 1.5% Effective The First Full Pay Period Following July 1, 2021; Increase Of 2% Effective The First Full Pay Period Following January 1, 2022; Increase Of 1% Effective the First Full Pay Period Following July 1,**

2022; And Increase Of 2% Effective The First Full Pay Period In December 2023.

EXECUTIVE SUMMARY

The City of Oakland reached an agreement with the International Association of Firefighters, Local 55 (“IAFF”), representation unit FQ1, on wages and other terms and conditions of employment (**Attachment A**). The duration of the agreement is thirty-eight months from November 1, 2020 through December 31, 2023. Significant terms of this agreement, include, but are not limited to, wage increases, an extension on the minimum staffing provisions and an exception to such in the event of a “Severe Financial Event,” and an equity adjustment of two percent (2%) to the classification of Engineer of Fire, and changes to City-paid active health benefits that requires a monthly employee contribution.

The proposed amendment to the Salary Ordinance has been prepared to provide IAFF members, representation unit FQ1, with an increase of 2.5% effective the first full pay period following January 1, 2021; an increase of 1.5% effective the first full pay period following July 1, 2021; increase of 2% effective the first full pay period following January 1, 2022; increase of 1% effective the first full pay period following July 1, 2022; and an increase of 2% effective the first full pay period in December 2023. Similar wages and terms and conditions are also effective for the unrepresented classifications of Chief of Fire, Deputy Chief of Fire Department and Assistant Chief of Fire Department, representation units UR1 and UU1.

BACKGROUND/LEGISLATIVE HISTORY

The current Memorandum of Understanding (MOU) between the City of Oakland and IAFF is set to expire on October 31, 2020. In December 2019 and January 2020, the City and Union met and tentatively agreed on several terms, the most significant include:

Term: The term of the agreement will be thirty-eight (38) months through December 31, 2023;

Salary Increases: Wage adjustments as follows: an increase of 2.5% effective the first full pay period following January 1, 2021; an increase of 1.5% effective the first full pay period following July 1, 2021; increase of 2% effective the first full pay period following January 1, 2022; an increase of 1% effective the first full pay period following July 1, 2022; and an increase of 2% effective the first full pay period in December 2023;

Active Health Contribution: The parties agree that IAFF members shall contribute \$5.00/month towards active health benefits commencing the first full pay period in January 2021;

Minimum Staffing: An extension on the Minimum Staffing term in the operable MOU through June 30, 2037, in addition to a temporary suspension of minimum staffing in the event of a “Severe Financial Event;” and

Mental Health Treatment: The parties agree to work collaboratively and enter into good faith negotiations to create a mental health, post-traumatic stress injury (PTSI) and substance abuse treatment programs for IAFF members.

ANALYSIS/POLICY ALTERNATIVES

Approval of the proposed Resolution is necessary to adopt the Tentative Agreement for incorporation into the successor MOU between the City and IAFF. A Salary Ordinance amendment requires two City Council readings; the first reading is scheduled to be heard on February 18, 2020 for consideration and approval, and the second reading scheduled for March 3, 2020. If for any reason the Tentative Agreement/MOU is not finalized or approved, the Salary Ordinance amendments could be canceled or delayed. The following is a summary of the key provisions of the Tentative Agreement:

Term: A thirty-eight (38) month contract term from November 1, 2020 - December 31, 2024.

Article 2: Wage Increases

- January 2021 (effective first full pay period): 2.5%
- July 2021 (effective first full pay period): 1.5%
- January 2022 (effective first full pay period): 2.0%
- July 2022 (effective first full pay period): 1.0%
- December 2023 (effective first full pay period): 2.0%

Uniform Allowance: The Uniform Allowance shall be increased as follows:

- \$708.00 effective the first full pay period in July 2021;
- \$722.00 effective the first full pay period in July 2022;
- \$743.00 effective the first full pay period in July 2023;

Equity Adjustment: Effective the first full pay period in January 2021, the City shall increase the pay of Engineer of Fire by two percent (2%).

Water Rescue Premium: IAFF members assigned to Station 12 who also obtain the following certifications: Open Water Rescue Swimmer; Surface Rescue Boat Technician or Swiftwater Boat Operator; Surface Boat Specialist; and Swiftwater Rescue Technician shall receive a six percent (6%) premium in addition to his/her regular base rate of pay while assigned to Station 12. This premium shall take effect the first full pay period in January 2021.

Article 3: Health Insurance: Effective the first full pay period in January 2021, IAFF members shall contribute five dollars (\$5.00) per pay period (the equivalent of \$10.84/month) towards medical benefits. IAFF members who elect a more expensive plan than Kaiser shall contribute five dollars (\$5.00) per pay period in addition to the additional cost of the health insurance plan.

Health Reimbursement Plan: Effective the first full pay period in November 2020, the City shall contribute a one-time lump sum payment in the amount of one thousand dollars (\$1,000.00) into the HRA Account of IAFF members in Class 1-2019 (approximately 17 members).

Dental Insurance: The City will continue to contribute \$223.00 per month per member towards dental insurance. The amount shall increase to \$226.00 per month effective January 1, 2023.

Article 4: Minimum Staffing: An extension to the Minimum Staffing provision in the MOU through 2037. The Minimum Staffing provision in the MOU requires the Department to staff twenty-four engines with a minimum of one Officer, one Engineer, one Firefighter/Paramedic and one Firefighter; four trucks with a minimum of four members; three fire trucks staffed with five unit members; and the Aircraft Rescue Fire Fighting with six unit members. However, in the event of a "Severe Financial Event," defined as when the General Purpose Fund revenues in the Adopted Budget are less than the current year's revenues and when layoffs or furloughs are noticed to all of the City's labor unions due to adverse financial conditions, the City may temporarily suspend the minimum staffing provisions.

LOU: Mental Health Treatment: The Parties agree to enter into a Letter of Understanding and enter into good faith to create a mental health, post-traumatic stress injury (PTSI) and substance abuse treatment programs for IAFF members.

FISCAL IMPACT

The cost of the labor agreement with IAFF, Local 55, covering November 1, 2020, through December 31, 2023, is approximately \$32.4 million over four fiscal years (\$2.0 million in FY 2020-21, \$7.5 million in FY 2021-22, \$10.5 million in FY 2022-23 and \$12.4 million in FY 2022-23). 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 can be supported by existing appropriations in FY 2020-21. The FY 2021-22 through FY 2023-24 costs of the agreements will be addressed in the future budget process as the adopted budget does not have sufficient appropriations.

PUBLIC OUTREACH / INTEREST

No public outreach is required.

SUSTAINABLE OPPORTUNITIES

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

Environmental: There are no environmental opportunities associated with this report

Race and Equity: There are no race and 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 International Association of Firefighters, Local 55 Representing Employees In Representation Unit FQ1 For A Term Of November 1, 2020 Through December 31, 2023; And
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For questions regarding this report, please contact Ian Appleyard, Director of Human Resources at (510) 238-6450 or Allyson Cook, Assistant Director, Human Resources Management (510) 238-6466.

Respectfully submitted,



Ian Appleyard
Director
Human Resources Management

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

Attachments (2):

- A. Tentative Agreement Between the City and IAFF
- B. List of Classifications