

FILED
OFFICE OF THE CITY CLERK
OAKLAND

CITY OF OAKLAND

AGENDA REPORT

TO: 2009 SEP 10 10:41 AM
Office of the City Administrator
ATTN: Dan Lindheim
FROM: Department of Human Resources Management
DATE: September 22, 2009

RE: **Resolution Amending the Memorandum of Understanding Between the City of Oakland and the Oakland Police Officers' Association**

SUMMARY

The City of Oakland has reached an agreement with the Oakland Police Officers' Association (OPOA) to amend the current Memorandum of Understanding (MOU) and to extend the duration of the MOU to June 30, 2013. A previous version of the contract amendment 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 MOU 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;
- a side letter that gives the City sole discretion to adjust patrol officers' schedule of hours from 84 to 80 hours per pay period
- assumption of 2% of the employee paid member retirement contribution (EPMC) beginning January 1, 2013;
- a requirement of five years of service to receive Shift differential pay; and
- a 5% Master Officer Pay Premium for patrol officers with over 20 years of service and Homeland Security training.

The OPOA membership has 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 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.

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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

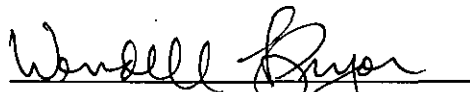
RECOMMENDATION AND RATIONALE

Staff recommends that Council approve the resolution amending the Memorandum of Understanding between the City of Oakland and the Oakland Police Officers' Association. The agreement meets the interests of both parties and represents a fair and reasonable settlement.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that the City Council approve the resolution.

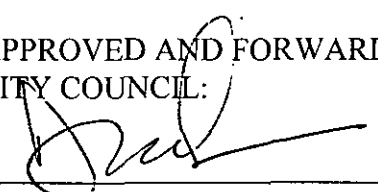
Respectfully submitted,



Wendell Pryor, Director
Department of Human Resources Management

Prepared by:
D. LaWanna Preston, Employee Relations Manager
Department of Human Resources Management

APPROVED AND FORWARDED TO THE
CITY COUNCIL:


Office of the City Administrator

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FILED
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OAKLAND

OAKLAND CITY COUNCIL

City Attorney

RESOLUTION NO. _____ C.M.S.
2009 SEP 10 PM 4:42
Introduced by Councilmember _____

RESOLUTION AMENDING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OAKLAND AND THE OAKLAND POLICE OFFICERS' ASSOCIATION

WHEREAS, an amendment to the Memorandum of Understanding between the City of Oakland and the Oakland Police Officers' Association (OPOA) 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 amendment includes a provision delaying a previously negotiated Cost of Living Adjustment of four percent (4%) until January 1, 2013; and

WHEREAS, the amendment includes a provision reducing the number of paid holidays by six (6) for three (3) fiscal years; and

WHEREAS, the amendment includes a side letter that gives the City sole discretion to adjust patrol officers' schedule of hours from eighty-four (84) hours to eighty (80) hours per pay period; and

WHEREAS, the amendment includes a provision that OPOA members will assume two percent (2%) of the employee paid member retirement contribution beginning January 1, 2013; and

WHEREAS, the amendment includes a provision that requires officers to have served five (5) years of service in order to receive shift differential pay; and

WHEREAS, the amendment includes a provision for patrol officers with over twenty (20) years of service and Homeland Security training to receive a five percent (5%) Master Officer Pay Premium ; and

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

WHEREAS, the terms and conditions contained in said amendment 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 amendment to the Memorandum of Understanding are effective as of the date the City Council approves said amendment, unless otherwise specified in said amendment 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