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OFFICE OF THE CITY CLERK
OAKLAND
2015 NOV -5 PM 4:30

AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Renée Mayne
Employee Relations
Director

SUBJECT: MOU Approval between the City of
Oakland and OPMA and Salary
Ordinance Amendment for
Represented Unit UN2 and
Unrepresented Unit UN1

DATE: November 4, 2015

City Administrator Approval

Date:

11/5/15

RECOMMENDATION

Staff recommends that the City Council Adopt a Resolution Approving the Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association for Represented Employees in Classifications in Unit UN2, and Approve the Same Salary and Equity Adjustment Salary Increases and Terms and Conditions of Employment for the Unrepresented Unit UN1 Classification Chief of Police, Assistant, and the Same Salary and Equity Adjustment Salary Increases for the Salary Range of the Unrepresented Unit UN1 Classification Chief of Police, covering the period of July 1, 2015 to June 30, 2019; and Amending Salary Schedule of Ordinance 12187 C.M.S. (The Salary Ordinance) to Increase Salaries by Amounts Pursuant to the Memorandum of Understanding.

EXECUTIVE SUMMARY

The staff recommendation is intended for the City of Oakland to have an amended Memorandum of Understanding (MOU) with wages and other terms and conditions of employment with the Oakland Police Management Association (OPMA) for represented employees in classifications in Unit UN2, and the same salary and equity adjustment salary increases and terms and conditions of employment for the unrepresented Unit UN1 classification Chief of Police, Assistant, and the same salary and equity adjustment salary increases for the unrepresented Unit UN1 classification Chief of Police, for the term of July 1, 2015 through June 30, 2019, including police management, the Chief of Police, Assistant and Chief of Police paying a three percent (3.0%) increase annually in their own contributions to CalPERS. The salary range of the Chief of Police classification will be raised, but the actual salary increase for the Chief is governed by his employment contract with the City of Oakland.

Item: _____

City Council
November 17, 2015

The Salary Ordinance will be amended to reflect the proposed four percent (4%) Cost of Living Adjustment (COLA) salary increase for the City's employees in OPMA retroactive to July 1, 2015; four percent (4%) COLA increase effective May 1, 2017; two-and-one-half percent (2.5%) COLA increase effective January 1, 2018; and two-and-one-half percent (2.5%) COLA increase effective January 1, 2019. Additionally, OPMA members will receive equity adjustment salary increases of two-and-one-half percent (2.5%) effective January 1, 2016; one percent (1%) effective January 1, 2017; one percent (1%) effective January 1, 2018; and two percent (2%) effective July 1, 2018.

BACKGROUND / LEGISLATIVE HISTORY

The current Memorandums of Understanding (MOU) between the City of Oakland and the Oakland Police Management Association expired on June 30, 2015. Since March 2015, the City and OPMA negotiation teams have met and have signed comprehensive Tentative Agreements on seven (7) MOU articles. Items of particular significance are:

1. Health Insurance Reopener – Allow the option for the City to reopen the MOU in years 3 and 4 to address the cost of health insurance.
2. Four Year Labor Agreement – The terms of the four year agreement are anticipated to promote police management recruitment and retention.

ANALYSIS

Approval of the proposed resolution is necessary to adopt the MOU between the City and OPMA, and provide the same salary and equity adjustment salary increases and terms and conditions of employment to the unrepresented classification of Chief of Police, Assistant, and the same salary and equity adjustment salary increases for the unrepresented classification of Chief of Police. The salary range of the Chief of Police classification will be raised, but the actual salary increase for the Chief is governed by his employment contract with the City.

OPMA's ratification date was Friday, October 30, 2015. The report, ordinance, and resolution were prepared for City Council approval and authorization following OPMA ratification. The Salary Ordinance amendment requires two (2) City Council readings with the first reading on November 17, 2015, for consideration and approval, and the second reading on December 8, 2015. If for any reason the MOU is not finalized or approved, the Salary Ordinance amendment could be canceled or delayed if required. The following list includes a summary of the key provisions of the tentative agreements:

Article III: Direct Pay for Services

The City shall provide OPMA members with the following COLA salary increases:

- July 1, 2015 – 4.0 percent salary increase
- May 1, 2017 – 4.0 percent salary increase
- January 1, 2018 – 2.5 percent salary increase
- January 1, 2019 – 2.5 percent salary increase

The City shall provide OPMA members with the following equity adjustment salary increases:

- January 1, 2016 – 2.5 percent equity adjustment salary increase
- January 1, 2017 – 1.0 percent equity adjustment salary increase
- January 1, 2018 – 1.0 percent equity adjustment salary increase
- July 1, 2018 – 2.0 percent equity adjustment salary increase

Article IV – Retirement

The entire article was revised to create consistent language for the three tiers of CalPERS pension, and to comply with the Public Employee Pension Reform Act (“PEPRA”).

OPMA CalPERS “Classic” members will make the following additional PERS contributions:

- January 1, 2016 – 2.0 percent increase to PERS contribution
- January 1, 2017 – 1.0 percent increase to PERS contribution

Consistent with the requirements of PEPRA, those employees hired on or after January 1, 2013, began contributing 50% of the total normal cost of the applicable PERS rate on July 1, 2015.

The increased 3.0 percent CalPERS contribution for Classic and PEPRA members shall raise the OPMA members’ pension contribution from 9.0 to 12.0 percent.

Article VI – Insurance Programs

The City will automatically enroll new members to the Kaiser (medical plan) if they do not enroll themselves in the plan of their choice.

The City and OPMA agreed to a reopener for health insurance in the third and fourth years of the MOU. The reopener must be exercised between January 1 and March 1 of each year.

The City and OPMA will arbitrate within one hundred and twenty (120) days to determine the reimbursement and accounting methodology the parties should use for dental reimbursement under the current MOU language.

Article VII – Leaves and Holidays

Vacation leave shall be credited from the date of appointment by City as a formerly sworn member of the Oakland Police Department.

The City agreed to remove expired language on holiday concessions which were in effect between 2009 and 2012. Additionally, the City agreed to remove concessionary language which provided that OPMA members would not receive the Admissions Day holiday.

The City agreed to remove expired concessionary language which provided that OPMA members would not receive a floating holiday in fiscal years 2012/2013, 2013/2014 and 2014/2015.

The City agreed that in addition to receiving eight (8) hours of straight time pay, OPMA members working on holidays shall be paid for all hours worked at the straight time rate of pay.

Article IX – Self Improvement Incentives

For tuition reimbursement, the City agreed to reimburse OPMA members for up to two (2) courses eligible for reimbursement at any one time. The combined cost of the courses shall not exceed the cost of part-time enrollment (0-6 units) in the California State University System at the current tuition rate (semester and quarter).

Article X – Special provisions

The City agreed to continue to provide the current psychological counseling and substance abuse services currently being provided to OPMA members. If the current providers of those services are unable to deliver the currently provided services, the City and OPMA will meet to either modify existing agreements or secure a new provider.

In the event of a reduction in force of Deputy Chiefs, seniority shall not prevail.

Article XI – Grievance Procedure

OPMA members holding the rank of Deputy Chief shall be allowed to avail themselves of the grievance procedure except in the reduction of rank to prior rank. Additionally, language prohibiting OPMA members from being suspended for a period of less than forty (40) hours has been removed from the MOU language.

New Article – Notification of Critical Incidents

OPD shall notify the OPMA President, or his/her designee of any critical incident involving an OPMA member. The notification shall not be delayed and can be made in conjunction with notifications made to the City's elected officials. A "critical incident" is defined an incident where the OPMA member has been involved in a reported level one (1) use of force regardless of injury; an OPMA member has been in a vehicle collision that caused injury to any party, or an OPMA member required immediate hospitalization. Such notification shall occur via telephone call to the OPMA President or his/her designee.

FISCAL IMPACT

The FY 2015-17 Adopted Budget appropriated \$22.6 million for outstanding labor contract negotiations. Of this amount, \$0.42 million (\$0.18 million in FY 2015-16 and \$0.24 million in FY 2016-17) is allocated for OPMA compensation package over the first two years of the term of the MOU. Total costs associated with the contract include the salary increases and other economic provisions that would be absorbed by existing department budgets. Costs for years 3 and 4 will be addressed as part of the FY 2017-19 biennial budget development.

PUBLIC OUTREACH / INTEREST

No public outreach is required.

COORDINATION

The Employee Relations Department coordinated the collection, compilation, and reporting of data with Budget Office, Controller's Office, Payroll, Human Resources Management and the Police Department.

SUSTAINABLE OPPORTUNITIES

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

Environmental: There are no environmental opportunities associated with this report.

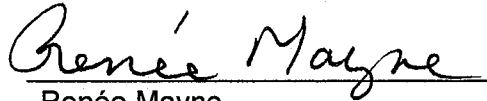
Social Equity: There are no social equity opportunities associated with this report.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council Adopt a Resolution Approving the Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association for Represented Employees in Classifications in Unit UN2, and Approve the Same Salary and Equity Adjustment Salary Increases and Terms and Conditions of Employment for the Unrepresented Unit UN1 Classification Chief of Police, Assistant, and the Same Salary and Equity Adjustment Salary Increases for the Salary Range of the Unrepresented Unit UN1 Classification Chief of Police, covering the period of July 1, 2015 to June 30, 2019; and Amending Salary Schedule of Ordinance 12187 C.M.S. (The Salary Ordinance) to Increase Salaries by Amounts Pursuant to the Memorandum of Understanding.

For questions regarding this report, please contact Renée Mayne, Director of Employee Relations, at 510-238-6466.

Respectfully submitted,



Renée Mayne
Director, Employee Relations Department

Prepared by:
Spruce Metzger
Senior Employee and Labor Relations Analyst
Employee Relations Department

Sonia Lara
Principal Employee Relations Analyst
CAO/Employee Relations Department

Attachments:

1. Resolution
2. Salary Ordinance
3. List of Classifications

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2015 NOV -5 PM 4:30


City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OAKLAND AND THE OAKLAND POLICE MANAGEMENT ASSOCIATION FOR REPRESENTED EMPLOYEES IN CLASSIFICATIONS IN UNIT UN2, AND APPROVE THE SAME SALARY AND EQUITY ADJUSTMENT SALARY INCREASES AND TERMS AND CONDITIONS OF EMPLOYMENT FOR THE UNREPRESENTED UNIT UN1 CLASSIFICATION CHIEF OF POLICE, ASSISTANT, AND THE SAME SALARY AND EQUITY ADJUSTMENT SALARY INCREASES FOR THE SALARY RANGE OF THE UNREPRESENTED UNIT UN1 CLASSIFICATION CHIEF OF POLICE, COVERING THE PERIOD OF JULY 1, 2015 TO JUNE 30, 2019

WHEREAS, the Memorandum of Understanding to be entered into between the City of Oakland and the Oakland Police Management Association 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 Memorandum of Understanding are described in the Report from the City Administrator dated November 2, 2015; and

WHEREAS, the same salary and equity adjustment salary increases and terms and conditions of the Memorandum of Understanding shall apply to the unrepresented Unit UN1 classification, Chief of Police, Assistant; and

WHEREAS, the same salary and equity adjustment salary increases of the Memorandum of Understanding shall apply to the salary range of the unrepresented Unit UN1 classification, Chief of Police; and

WHEREAS, the terms and conditions contained in said 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 Memorandum of Understanding are effective as of July 1, 2015.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL-WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID and
PRESIDENT GIBSON MCELHANEY

NOES -

ABSENT -

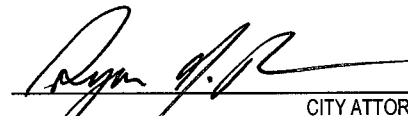
ABSTENTION -

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

FILED
OFFICE OF THE CITY CLERK
INTRODUCED BY COUNCIL MEMBER _____

2015 NOV -5 PM 4:30


CITY ATTORNEY

OAKLAND CITY COUNCIL

ORDINANCE No. _____ C.M.S.

ORDINANCE AMENDING THE SALARY SCHEDULE OF ORDINANCE NO. 12187 C.M.S. ("SALARY ORDINANCE") TO PROVIDE COST OF LIVING ADJUSTMENTS TO THE SALARIES OF CERTAIN SWORN EMPLOYEES PURSUANT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OAKLAND AND THE OAKLAND POLICE MANAGEMENT ASSOCIATION AND THE UNREPRESENTED ASSISTANT CHIEF OF POLICE, AND THE UNREPRESENTED SALARY RANGE OF THE CLASSIFICATION CHIEF OF POLICE; THE COST OF LIVING ADJUSTMENTS SHALL BE AS FOLLOWS: INCREASE OF 4% EFFECTIVE JULY 1, 2015; INCREASE OF 4% EFFECTIVE MAY 1, 2017, INCREASE OF 2.5% EFFECTIVE JANUARY 1, 2018, AND INCREASE OF 2.5% EFFECTIVE JANUARY 1, 2019 INCLUDING EQUITY ADJUSTMENTS OF 2.5% EFFECTIVE JANUARY 1, 2016, EQUITY ADJUSTMENTS OF 1.0% EFFECTIVE JANUARY 1, 2017, EQUITY ADJUSTMENTS OF 1.0% EFFECTIVE JANUARY 1, 2018, AND EQUITY ADJUSTMENTS OF 2.0% EFFECTIVE JULY 1, 2018

WHEREAS, the Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association has been approved by the parties pursuant to Section 3505.1 of the Government Code of the State of California; and

WHEREAS, said agreement is approved and includes increases to salaries of 4 percent on July 1, 2015, 4% on May 1, 2017, 2.5% on January 1, 2018 and 2.5% on January 1, 2019 and equity adjustments of 2.5% on January 1, 2016, 1.0% on January 1, 2017, 1.0% on January 1, 2018 and 2.0% on July 1, 2018 for employees represented by Oakland Police Management Association and the unrepresented Assistant Chief of Police, and the salary range of the unrepresented classification of Chief of Police; and

WHEREAS, Oakland City Charter Section 207 requires that the Council shall fix the compensation of all City employees; now, therefore

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1. Effective July 1, 2015, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association, and the unrepresented Assistant Chief of Police, and the unrepresented salary range of the classification of Chief of Police are increased by 4%;

Section 2. Effective January 1, 2016, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police

Management Association, and the unrepresented Assistant Chief of Police, and the unrepresented salary range of the classification of Chief of Police, are receiving an equity adjustment salary increase of 2.5%;

Section 3. Effective January 1, 2017, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association, and the unrepresented Assistant Chief of Police, and the unrepresented salary range of the classification of Chief of Police, are receiving an equity adjustment salary increase of 1.0%.

Section 4. Effective May 1, 2017, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association, and the unrepresented Assistant Chief of Police, and the unrepresented salary range of the classification of Chief of Police, are increased by 4%.

Section 5. Effective January 1, 2018, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association, and the unrepresented Assistant Chief of Police, and the unrepresented salary range of the classification of Chief of Police, are increased by 2.5%, and an equity adjustment salary increase of 1.0%.

Section 6. Effective July 1, 2018, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association, and the unrepresented Assistant Chief of Police, and the unrepresented salary range of the classification of Chief of Police, are receiving an equity adjustment salary increase of 2.0%.

Section 7. Effective January 1, 2019, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association, and the unrepresented Assistant Chief of Police, and the unrepresented salary range of the classification of Chief of Police, are increased by 2.5%.

Section 8. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more others section, subsection, clauses or phrases may be declared invalid or unconstitutional.

Section 9. Effective Date. This ordinance shall become effective immediately on final adoption if it receives six or more affirmative votes; otherwise it shall become effective upon the seventh day after final adoption.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2015

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, CAMPBELL-WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID and PRESIDENT GIBSON
MCELHANEY

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

DATE OF ATTESTATION: _____

ORDINANCE AMENDING THE SALARY SCHEDULE OF ORDINANCE NO. 12187 C.M.S. ("SALARY ORDINANCE") TO PROVIDE COST OF LIVING ADJUSTMENTS TO THE SALARIES OF CERTAIN SWORN EMPLOYEES PURSUANT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OAKLAND AND THE OAKLAND POLICE MANAGEMENT ASSOCIATION AND ASSISTANT CHIEF OF POLICE; THE COST OF LIVING ADJUSTMENTS SHALL BE AS FOLLOWS: INCREASE OF 4% EFFECTIVE JULY 1, 2015; INCREASE 4% EFFECTIVE MAY 1, 2017; INCREASE 2.5% EFFECTIVE JANUARY 1, 2018; AND INCREASE OF 2.5% EFFECTIVE JANUARY 1, 2019 INCLUDING EQUITY ADJUSTMENTS OF 2.5% EFFECTIVE JANUARY 1, 2016, EQUITY ADJUSTMENTS OF 1.0% EFFECTIVE JANUARY 1, 2017, EQUITY ADJUSTMENTS OF 1.0% EFFECTIVE JANUARY 1, 2018, AND EQUITY ADJUSTMENTS OF 2.0% EFFECTIVE JULY 1, 2018

DIGEST

Ordinance Amending The Salary Schedule Of Ordinance No. 12187 C.M.S. ("Salary Ordinance") To Adjust The Salary Rates For All Classifications Represented by the Oakland Police Management Association and Assistant Chief of Police; the Cost of Living Adjustments Shall Be As Follows: 4% Increase Effective July 1, 2015; 4% Increase Effective May 1, 2017; 2.5% Increase Effective January 1, 2018; and 2.5% Increase Effective January 1, 2019 Including Equity Adjustments Of 2.5% Effective January 1, 2016, Equity Adjustments Of 1.0% Effective January 1, 2017, Equity Adjustments Of 1.0% Effective January 1, 2018, And Equity Adjustments Of 2.0% Effective July 1, 2018.

ATTACHMENT 3

| LIST OF CLASSIFICATIONS | | |
|-------------------------|--------------|-------------------------------|
| REP | CLASS NUMBER | TITLE |
| UN1 | EM122 | Chief of Police |
| UN1 | EM237 | Chief of Police, Assistant |
| | | |
| UN2 | PS106 | Captain of Police |
| UN2 | PS107 | Captain of Police (PERS) |
| UN2 | EM134 | Deputy Chief of Police |
| UN2 | EM135 | Deputy Chief of Police (PERS) |