



AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: Ian Appleyard
Human Resources
Management Director

SUBJECT: Approve the Memoranda of Understanding Between the City of Oakland and Misc Unions and Salary Ordinance Amendment for Misc and unrepresented

DATE: July 14, 2022

City Administrator Approval

Date: Jul 15, 2022

RECOMMENDATION

Staff Recommends That The City Council:

- 1) **Adopt Resolutions Approving The Memoranda Of Understanding Between The City Of Oakland And:**
 - a. **The Confidential Management Employees Association Representing Employees In Representation Unit U31 Covering The Period of July 1, 2022 to June 30, 2025;**
 - b. **The International Brotherhood Of Electrical Workers, Local 1245 Representing Employees in Representation Units IE1 and TV1 Covering The Period Of July 1, 2022 To June 30, 2025;**
 - c. **The International Federation Of Professional & Technical Engineers (“IFPTE”), Local 21, Representing Employees In Representation Units TA1, TF1, TM2, TW1, UH1, UM1, UM2, TM1, And U41 Covering The Period Of July 1, 2022 To June 30, 2025;**
 - d. **The Service Employees International Union (“SEIU”), Local 1021 Representing Employees In Representation Units SB1, SC1, SD1, And SI1 Covering The Period Of July 1, 2022 To June 30, 2025;**
 - e. **The International Association of Firefighters (“IAFF”), Local 55 Representing Employees In Representation Units FQ1 Covering The Period Of July 1, 2022 To June 30, 2026;**
 - f. **The Oakland Police Officers’ Association (“OPOA”) Representing Employees In Representation Units PP1 And PT1 Covering The Period Of July 1, 2022 To June 30, 2026; And**
 - g. **The Oakland Police Management Association (“OPMA”) Representing Employees In Representation Units UN1 Covering The Period Of July 1, 2022 To June 30, 2026.**

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- 2) **Adopt An Ordinance Amending The Salary Schedule Of Ordinance No. 12187 C.M.S. ("Salary Ordinance") To:**
- a. **Provide Wage Increases For Employees Pursuant To The Memoranda Of Understanding Between The City Of Oakland And The Confidential Management Employee Association; The International Brotherhood Of Electrical Workers, Local 1245; The International Federation Of Professional And Technical Engineers, Local 21; The Service Employees International Union, Local 1021; And For Unrepresented Classifications CON, TI1, U51, US1, UG1, UP1, UK1, And UK2 As Follows: I) 5% Effective The First Full Pay Period After July 1, 2022; II) 2.5% Effective The First Full Pay Period After July 1, 2023; III) 2.5% Effective The First Full Pay Period After January 1, 2024; IV) 2% Effective The First Full Pay Period After July 1, 2024; V) 2% Effective The First Full Pay Period After March 1, 2025;**
 - b. **Provide Wage Increases For Employees Pursuant To The International Association Of Firefighters, Local 55; The Oakland Police Officers' Association; The Oakland Police Management Association; And For Unrepresented Units UN1, UR1 And UU1 As Follows: I) 3.5% Effective The First Full Pay Period After July 1, 2022; II) 3.5% Effective The First Full Pay Period After July 1, 2023; III) 3% Effective The First Full Pay Period After July 1, 2024; Iv) 3% Effective The First Full Pay Period After July 1, 2025; And**
 - c. **Provide Special Equity Adjustments As Follows: I) Pursuant To The MOU Between The City Of Oakland And The Confidential Management Employee Association, 5% Wage Increase For Certain Classifications In Representation Unit U31 Effective The First Full Pay Period After October 1, 2022; II) Pursuant To The MOU Between The City Of Oakland And The International Federation Of Professional And Technical Engineers, Local 21, Up To 7.5% Wage Increase For Certain Classifications In Representation Units TA1, TW1, TM2, TW1, UH1, UM2, And UM1 Effective The First Full Pay Period After October 1, 2022 And Wage Increases To Align The Salaries Of Certain Classifications In Representation Units TW1 And UM2 Effective The First Full Pay Period After January 1, 2023; III) Pursuant To The MOU Between The City Of Oakland And The Service Employees International Union, Local 1021, 3% Wage Increase For Certain Classifications In Representation Units SC1, SD1 And SI1 Effective The First Full Pay Period After October 1, 2022; IV) 5% Wage Increase For Certain Classifications In Unrepresented Units UP1 And UK2 Effective The First Full Pay Period After October 1, 2022.**

EXECUTIVE SUMMARY

The City of Oakland has reached tentative agreements on successor contracts with each of its miscellaneous unions: the Confidential Management Employees Association ("CMEA") (**Attachment A**), the International Brotherhood of Electrical Workers ("IBEW") (**Attachment B**), Local 1245, the International Federation of Professional & Technical Engineers ("IFPTE"), Local 21 (**Attachment C**), and the Service Employees International Union ("SEIU"), Local 1021 (**Attachment D**). The term of the agreements with each Miscellaneous union is from July 1, 2022, through June 30, 2025. The proposed amendment to the Salary Ordinance has been prepared to provide a 5% wage increase effective the first full pay period of July 2022; a 2.5% wage increase

effective the first full pay period of July 2023; a 2.5% wage increase effective the first full pay period of January 2024; a 2% wage increase effective the first full pay period of July 2024; and a 2% wage increase effective the first full pay period of March 2025 for City employees represented by CMEA, IBEW, IFPTE, and SEIU. The City Administrator, pursuant to City Ordinance 12903, has authorized the same wage increases to certain miscellaneous unrepresented employees effective the same dates.

The City of Oakland has also reached tentative agreements on contract extensions with each of its public safety unions: the International Association of Firefighters (“IAFF”) (**Attachment E**), Local 55, the Oakland Police Officers’ Association (“OPOA”) (**Attachment F**), and the Oakland Police Management Association (“OPMA”) (**Attachment F**). The term of the extension agreements with each public safety union is from July 1, 2022 through June 30, 2026. For IAFF, Local 55, the proposed amendment to the Salary Ordinance provides a 3.5% wage effective the first full pay period of July 2022; a 3.5% wage increase effective the first full pay period of July 2023; a 3% wage increase effective the first full pay period of July 2024, and a 3% wage increase effective the first full pay period of July 2025. The City Administrator, pursuant to City Ordinance 12903, has authorized the same wage increases to certain Sworn Fire public safety unrepresented employees effective the same dates. For OPOA and OPMA, the proposed amendment to the salary ordinance provides a 3% wage increase effective the first full pay period of July 2024, and a 3% wage increase effective the first full pay period of July 2025. The City Administrator, pursuant to City Ordinance 12903, has authorized the same wage increases to certain Sworn Police public safety unrepresented employees effective the same dates.

BACKGROUND/LEGISLATIVE HISTORY

The current Memoranda of Understanding (“MOU”) between the City of Oakland and each of the Miscellaneous unions expired on June 30, 2022. In February 2021, the City and CMEA, IBEW, IFPTE, and SEIU began bargaining successor labor agreements, culminating in tentative agreements on a three-year successor contract. The wage increases are five percent (5%) in year one (July 2022), five percent (5%) in year two (2.5% in July 2023 and 2.5% in January 2023) and four percent (4%) in year three (2% July 2024 and 2% March 2025). The wage increases are effective the first full pay period the months indicated above. The City Administrator has authorized the same wage increase to be extended to certain miscellaneous unrepresented employees.

The current MOU between the City of Oakland and IAFF, Local 55 expires December 31, 2023. The proposed contract extension provides a 3.5%, 3.5%, 3% and 3% wage increase on the first full pay period of July 2022, July 2023, July 2024 and July 2025 respectively. The City Administrator has authorized the same wage increase to be extended to certain Fire Sworn public safety employees.

The current MOUs between the City of Oakland and the OPOA and OPMA expire June 30, 2024. The proposed contract extension provides a 3% and 3% wage increase on the first full pay period of July 2024 and July 2025 respectively. The City Administrator has authorized the same wage increase to be extended to certain Police Sworn public safety employees.

City Ordinance No. 12903 C.M.S. adopted on November 18, 2008 (**Attachment G**) established the City Council’s compensation policies and provisions for City Employees, Officials and Officers. The Ordinance memorializes the authority and discretion the City Council has granted to the City Administrator regarding fixing compensation and supplements City Ordinance No. 12187 C.M.S.

(Attachment H). Ordinance 12903, Section 1.20 states, in part, “Ordinance No. 12187 thereby gives the City Administrator the discretion to grant unrepresented employees the same compensation and other terms and conditions of employment that are provided to represented employees under MOUs, or to provide unrepresented employees less compensation than the compensation that is provided to represented employees in each category or type of compensation.” **(Attachment G)**.

Ordinance 12903, Section 1.90(1) states, “[t]he salary of the Chief of Fire classification as contained in this ordinance shall be adjusted by a percentage amount equivalent to the average percentage amount of salary adjustment granted to rank and file uniformed employees of the Fire Department, who are represented by an employee organization recognized by the City, concurrent with implementation of salary adjustments for said rank and file employees.” **(Attachment G)**

Ordinance 12903, Section 1.90(2) states, “[t]he salary of the Chief of Police classification as contained in this ordinance shall be adjusted by a percentage amount equivalent to the average percentage amount of salary adjustment granted to rank and file uniformed employees of the Police Department, who are represented by an employee organization recognized by the City, concurrent with implementation of salary adjustments for said rank and file employees.” **(Attachment G)**.

ANALYSIS AND POLICY ALTERNATIVES

Approval of the proposed Resolutions is necessary to adopt the Tentative agreement for incorporation into successor MOUs between the City and CMEA **(Attachment A)**, IBEW **(Attachment B)**, IFPTE **(Attachment C)**, SEIU **(Attachment D)**, IAFF **(Attachment E)**, OPOA **(Attachment F)** and OPMA **(Attachment F)**. These tentative agreements were developed in partnership with our labor organizations. For the unions representing civilian employees (Attachments A-D), these agreements establish successor agreements that provide for a significant wage increase and other changes that are mutually beneficial to the City and its employees, recognizing their significant work and to support attraction and retention of employees. For the unions representing sworn employees (Attachments E-F), these agreements extend current agreements to provide certainty and stability, to provide for parity in the case of firefighters, and to provide for retention in the case of police officers, also in recognition of the significant work done by these employees.

By the time this item is scheduled for ratification consideration by the City Council, it is expected most unions will have ratified their respective tentative agreements with their members. A Salary Ordinance amendment requires two readings; it will be presented for its first reading on July 19, 2022, for consideration and approval, and a second reading on July 26, 2022. If for any reason any of the MOUs are not finalized or approved, the Salary Ordinance amendment could be amended prior to second reading. The following is a summary of the key provisions of the tentative agreements excluding the numerous tentative agreements reached on non-substantive, cleanup language:

For CMEA, IBEW, IFPTE, SEIU and certain unrepresented employees:

Compensation: A wage increase of 5% effective the first full pay period in July 2022; a wage increase of 2.5% effective the first full pay period in July 2023;

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2.5% effective the first full pay period in January 2024; 2% effective the first full pay period in July 2024; and a wage increase of 2% effective the first full pay period in March 2025.

- Duration:** The duration of the agreement is effective through June 30, 2025.
- Holiday:** Add Juneteenth and substitute Lincoln's Birthday for Cesar Chavez Day
- Dental benefit:** Dental. Expands the language to include implants. Effective January 1, 2023, the City shall provide at least one dental plan with annual coverage of no less than \$2,000.

One-time Extra Vacation Leave (EVD): To recognize staff service during the pandemic, a one-time benefit of five days of extra vacation leave (EVD) will be granted to covered employees. Permanent Part-Time employees will receive a prorated amount based on their regular schedule.

For CMEA only:

Article 5: Equity Increases. To account for recruitment and retention issues within HRMD and to avoid compaction of other HRMD classifications receiving equity increases, the following classifications will receive an equity adjustment of 5% effective the first full pay period after October 1, 2022: Principal Human Resources Analyst and Senior Supervising Human Resources Analyst.

Transit Pass. Adds CMEA-represented members to the A.C. Transit EasyPass Transit Program no later than December 1, 2022. Each represented employee shall be eligible to receive one EasyPass and shall pay a twenty dollar (\$20) annual fee, deducted from the employee's pay check every July. The City pays the remaining cost.

Article 14 Certification of Eligible to Fill Vacancies. Expands the City's ability to request additional ranks to be certified to a department with Union approval for difficult-to-recruit classifications or for operational needs. Establishes an unranked list for recruitments that result in 6 or less names. Decreases the time to post vacant, civil service exempt (U31) bargaining unit positions, from ten (10) to (7) seven business days.

Letter of Understandings (LOUs)

Telecommuting. Expands the options to telecommute to employees under certain conditions. Adds thirty (30) calendar day timeframe for responses on telecommute applications. Prohibits employees from working remotely outside the state of California, with limited exceptions. Establishes an agreement between the Union and City to meet on revisions to AI 594 regarding the city's telecommute policy. This LOU expires with the adoption of agreed-upon changes into the AI 594 or June 30, 2025, whichever occurs first.

Management Leave. Adds into the MOU a Letter of Understanding regarding constructive receipt dated December 20, 2020. Employees must pre-elect management leave sell back requests to avoid constructive receipt tax implications. The parties agree to a hardship exception.

For IBEW, Local 1245 only:

Article 5 Boot Allowance. Increase annual boot allowance from one hundred and fifty dollars (\$150) to two hundred dollars (\$200).

For IFPTE, Local 21 only:

Article 5 Special Equity.

Classification	Wage increase percent first full period after October 1, 2022
Chief of Party	5%
Criminalist II	2.5%
Criminalist III	2.5%
Engineer, Assistant I (Field)	7.5%
Engineer, Assistant I (Office)	7.5%
Engineer, Assistant II (Field)	7.5%
Engineer, Assistant II (Office)	7.5%
Engineer, Civil (Field)	7.5%
Engineer, Civil (Office)	7.5%
Engineer, Civil Principal	5%
Engineer, Civil Supervising (Field)	5%
Engineer, Civil Supervising (Office)	5%
Engineer, Fire Protection	7.5%
Engineer, Transportation	7.5%
Engineer, Transportation Assistant	7.5%
Engineer, Transportation Supervising	5%
Human Resource Analyst	7.5%
Human resource Analyst (CONF)	7.5%
Human Resource Analyst, Assistant	7.5%
Human Resource Analyst, Senior	7.5%
Senior Center Director	5%

Salary Adjustments/Deductions. Internal Parity Adjustments for the Planner and Transportation Series in the Departments of Planning & Building and Transportation. Planner I wages increased to the same level as Transportation Planner I. Planner II wages increased to the same level as Transportation Planner II. Planner III wages increased to the same level as Transportation Planner III. Planner IV wages increased to the same level as Senior Transportation Planner and be re-designated to representation

unit UM2. Planner V wages increased to the same level as Manager, Transportation and will be retitled Manager, Planner and re-designated to representation unit UM1. Manager, Zoning wages increased to the same level as the Manager, Transportation and re-designated to representation unit UM1. These changes will go into effect no later than the first full pay period of January 2023.

Salary Step Advancement. Adds option for appointing authority to approve a one-step advancement at a time increment of less than one year for demonstrated outstanding achievement in the public service.

Uniform Allowance. Incorporates prior LOU which added Police Communications Dispatcher, Senior for initial and annual uniform allowance.

Transit Pass. Continues City's Agreement with AC Transit to participate in its EasyPass employer program during the agreement. Each represented employee pays twenty dollars (\$20) annually and the City pays the remaining cost.

Bilingual Pay. Change compensation structure for Bilingual Pay for positions in Fire and Police Communications from a set amount per period to an hourly basis. UH1 members at Fire and Police Communications with Level 1 skills shall be paid \$0.60 per hour for all hours worked. UH1 members at Fire and Police communications with Level 2 skills shall be paid \$1.20 per hour for all hours work.

Article 9 Management Leave. TM1 and U41units' management leave is not subject to proration. Added constructive receipt terms to management leave sell back.

Paid Family Leave for Baby Bonding. Increased the number of weeks for paid leave for baby bonding time from six (6) to eight (8) weeks and increased the maximum weekly benefit amount to \$1,540.00.

Article 11 Holidays On Regular Day Off. Incorporates prior LOU which added Police Communication Dispatcher, Senior who are regularly assigned a four day/ten-hour (4/10) workweek schedule shall be paid ten (ten) hours of Holiday Pay.

Article 14 Certification of Eligibles to Fill Vacancies. Added provision to allow the City to request up to ten (10) ranks for the first vacancy and four (4) ranks for each additional vacancy be certified to a department with Union approval for difficult-to-recruit classifications or for other operational needs.

Announcement of Examination. To make the recruitment process more efficient, the City is no longer required to provide the Union notice of additional or special qualifications and experience for civil service positions as provided for in the Personnel Manual of the Civil Service Rules Section 5.03.

Management Employees. Reduce notice period to seven (7) business days when the City is filling a vacant position in the UM1 bargaining unit.

Appendix Move Classifications From UM2 to UM1. City and Union agrees to meet and confer by December 31, 2022 on the subject of moving four classifications from the UM2 bargaining group to UM1 that are in paygrade 22.

LOU Telecommuting. Adds thirty (30) calendar day timeframe for responses on telecommute applications. Denial of telecommuting requires a written justification. Disputes regarding telecommute requests go to the Human Resources Director or designee. Human Resource Director's or designee's decision is final. Prohibits employees from working remotely outside the state of California, with limited exceptions.

COVID-19 Health and Safety. Adds COVID-19 exposure notification is based on the "close contact" standard as defined by Cal/OSHA and is subject to change. Represented employees may request to telecommute because of a COVID-19 exposure or if they experiencing COVID-19-like symptoms. Telecommuting option is subject to approval by the Department Head or designee and shall not exceed 10 working days.

For SEIU, Local 1021 only:

Article 5 Salary Steps. Expands the language to include the opportunity for current employees to receive a step increase outside their anniversary date if there has been difficulty in retaining staff in that classification, and the employee has displayed exemplary performance, that employee may be entitled to an additional step increase. Notice to the union will be provided.

Acting Pay. Amends the language explaining how long an employee may be entitled to work in an acting capacity. Employees are able to act no more than nine hundred sixty (960) hours in a fiscal year.

Certified Training Officer. Increases the premium for Police Communications Dispatcher ("PCD") who are Certified Trainers to receive seven-and-one half (7.5%) percent for being regular trainers. Adds Fire Communications Dispatcher ("FCD") who are Certified Trainers as eligible to receive this premium as well and paid only for the time they are actually training individuals.

Meal Allowance. Removes a comma in the language that allows employees to receive a meal allowance when the work is scheduled with less than 24 hours-notice and not an extension of the employee's regular work day.

Uniform Allowance. Increases the initial and replacement allotments for employees who are required to wear a uniform as part of their job.

Safety Shoe Voucher. Expands the language to include the clarification that the definition of safety shoes is defined as outlined by Cal/OSHA. The language has been changed to identify all employee who re eligible for a second shoe voucher to include the following additional classifications: Sewer Maintenance Worker, Sewer Maintenance Leader, Public Works Maintenance Worker and Street Maintenance Leader (assigned to KOCB), Traffic Painter, Painter (assigned to Graffiti), classifications assigned to the Heavy Pavement Crew and the Undulation Crew.

Required Licenses and Certifications. Clarifies that Class A and/or B driver training courses will be offered by the city on a bi-annual basis (every other year). In the event the city does not offer this training in a given year, up to 20 employees may be eligible for reimbursement to attend a different training provided by a third party. The reimbursement for this will be up to \$4,000 for Class B training and up to \$6,000 for Class A training. This section also clarifies the selection process which includes expanding this training to staff outside of the Department of Public Works to include the Department of Transportation (DOT) and Parks and Recreation (OPYRD). If any staff are denied the opportunity to participate in this training, they will receive written notification explaining why there weren't selected.

Article 8 Traumatic Incident Leave. Adds language to this section that requires union notification in the instance a unit member suffers from a traumatic incident. This section also allows for the use of all available accrued leave at the employee's request on the date of the event for the remainder of that workday.

Article 10 Personal Business Leave. Allows a qualified unit member the opportunity to use up to 4 days of accrued vacation leave (which includes extra vacation leave and compensatory time) for personal business reasons.

Article 11 Designated Holidays. SI1 unit members will be granted an additional floating holiday effective July 1, 2022.

Article 14 Promotional, Restricted, and Open Examinations. With union agreement, the city may hold concurrent open examinations and candidates on the restricted eligibility list are interviewed before candidates from the open eligibility list. Temporary part-time incumbents are certified and considered before candidates on the open eligibility list for any classifications that hire TPT staff in addition to permanent staff. The city will also notify the union at least 5 days in advance of posting union represented positions.

Examinations. Amendments to the language regarding when seniority points are calculated. The city may request up to ten ranks for a first vacancy and four ranks for each additional vacancy to be certified to the department upon union approval.

Professional Development Reimbursement. Increases the allotment of funds for use for professional development from \$150 to \$250 per year for reimbursement of items related to professional development.

Article 15 Arbitration Panel. Removal of the following four arbitrators: Margie Brogan; Michael Rappaport; Phillip Tamoush; and Barry Winograd to replace them with the following names: Martin Gran; Patrick Halter; David Hart; and David Weinberg

Appendices Appendix C Professional Development Classifications. Adds the following classifications to the list of individuals eligible to receive professional development reimbursement: Revenue Assistant, Head Start Instructor, Head Start Instructor, PPT, Head Start/EHS Sub Assistant Instructor, and Head Start/EHS Sub Assistant Instructor, PPT.

Appendix I Temporary Part Time Employment. An allocation of one million five hundred thousand dollars (1,500,000) dollars to convert work performed by temporary part-time (TPT) employees to permanent positions in fiscal year 2023/24. The city will convene a committee within 45 days of execution of this MOU to determine which positions shall be converted.

Appendix N OPD Civilian Disciplinary Process for Professional Staff. Amends the language to reflect a commitment to reconvene a committee comprised of up to 4 city representatives and 4 union representatives within 90 days following ratification of this contract to discuss revising the disciplinary process for professional staff within OPD.

Side Letter Agreement(s)

Workers' Compensation Claims Administrator. An agreement between the city and the union to discuss the next potential workers' compensation claims administrator when the city solicits proposals for the next claims administrator.

Pandemic Service Stipend. Upon expiration of the SB114 California provided sick leave (SPSL), full-time unit members will received a one-time allotment of five days of SPSL leave. The leave will expire three months from date of issuance.

LOU's

COVID-19 Notification/Exposure. Defines when a unit member is informed of a potential exposure at work. Allows unit members the opportunity to telework in the event they are exposed to COVID-19 or to work from home if they have COVID-19 but are still able to work. This is subject to department head approval and cannot exceed 10 working days for each instance of exposure.

Telecommute. Expands the options to telecommute to employees under certain conditions and to supplement AI 594 regarding the city's telecommute policy.

Equity Adjustments. The following classifications will receive an equity adjustment of 3% effective the first full pay period of October 2022: Specialty Combination Inspector, Senior Specialty Combination Inspector, Police Communications Dispatcher, Fire Communications Dispatcher, Construction Inspector, Senior Construction Inspector, Public Works Maintenance Worker, Sewer Maintenance Worker, Librarian II, Parking Control Technician, Park Attendant.

Public Safety
For IAFF, Local 55 only:

- Term** The Tentative Agreement extends the current MOU, with the changes below, until June 30, 2026.
- Wage** Under the current MOU, a one percent (1%) wage increase is scheduled for July 2022 and a two percent (2%) is scheduled for December 2023. The Tentative Agreement provides for a three and half percent (3.5%) July 2022, a three and a half percent (3.5%) July 2023, a three percent (3%) July 2024, and a three percent (3%) July 2025

Education Incentive

Effective July 1, 2023, covered employees are eligible for one percent (1%) premium for possession of an Associate's degree, two percent (2%) for a Bachelor's degree, and four percent (4%) for Master's degree. All degrees must be from an accredited college or university.

- Station 2** Reopen Station 2 effective the latter of July 1, 2023, or when renovations to Stations 16 and 10 are complete. Effective July 2023, staffing agreement in Article 4 increases to 25 engine companies

- Article 1** Release time for Union President. Starting January 2023, the Union President shall be granted full release from their normal duties at their classification. President shall be assigned to a forty-hour position and receive a seven and a half percent (7.5%) premium to offset the loss of regularly scheduled FLSA overtime. President must maintain all training and certification requirements of their assigned classification.

- Article 2** 40-hour workweek incentive. To incentivize members to work a 40-hour shift the existing ten percent (10%) differential will be increased to fifteen percent (15%).

MACRO Support Premium. Starting January 2023, covered employees in the rank of Firefighter, Firefighter Paramedic, Lieutenant, or Captain will be eligible for this premium. The number is limited to 35 per calendar year. Members must apply for the premium, be approved by the Chief and be selected based on seniority in the department. The premium is two percent (2%) in January 2023, two percent (2%) is added July 2023, and one percent (1%) is added January 2024, totaling five percent (5%).

Uniform Allowance. Increase to \$746 in July 2024 and \$785 July 2025.

Additional Holiday. Juneteenth has been added to the other groups so the holiday rate will be increase accordingly.

Article 4 Certification Rule. The certification rule will increase from five names to six ranks.

Time to hire. The number of days will increase from 45 to 60 days.

Probationary period. Reduce lateral probationary period from 18 to 12 months.

LOU Mental Health Support for Firefighters. \$250,000 a year starting in July 2023 will be allocated and unused funds will roll-over to the next fiscal year.

For OPOA and OPMA only:

Term The Tentative Agreement extends the current MOU, with the changes below, until June 30, 2026.

Wage Under the current MOU, a three and half percent (3.5%) July 2022, and a three and a half percent (3.5%) July 2023 are scheduled. The additional years provide a three percent (3%) July 2024, and a three percent (3%) July 2025.

Article III Longevity. In an effort to improve retention of sworn officers in which the City has a significant resource investment, the longevity premium has been increased. A new tier of 4 through 6 years has been added and the rates are enumerated below:

	PERS
a. 4 through 6 years of service	<u>\$2,550</u>
b. 7 through 9 years of service	\$2,550 <u>\$5,200</u>
c. 10 through 14 years of service	\$2,950 <u>\$5,600</u>
d. 15 through 19 years of service	\$3,350 <u>\$6,000</u>
e. 20 or more years of service	\$3,750 <u>\$6,400</u>

Crisis Intervention Team Incentive (C.I.T. Incentive). Starting January 2023, members must possess an official certificate for Crisis Intervention Training from an agreed upon course of instruction and be in the rank of Police Officer, Sergeant, or Lieutenant of Police. Members must apply for the premium and be approved by the Chief. The premium is two percent (2%) in January 2023, two percent (2%) is added July 2023, and one percent (1%) is added January 2024, totaling five percent (5%).

Article VI Holidays. Juneteenth is an added holiday. Admission's Day is being restored and Lincoln's Birthday is being removed. The OPOA agreed to Cesar Chavez Day holiday in 2018.

OPMA leave benefit. One-time non-precedential basis, five (5) days of Extra Vacation Leave will be awarded to members of the OPMA on two occasions: July 2022 and July 2023.

Constructive receipt. In accordance with Internal Revenue Services regulations, members are required to make a non-revocable, pre-election of accrued leave they wish to cash out annually in December of the previous calendar year. There are exceptions for financial hardship.

Article IX Recruitment Incentives. A member that completes the Oakland Police Department "Mentorship Training" and successfully recruits a new Police Officer Trainee and mentors may receive a five thousand dollar (\$5,000) one-time incentive that will be two installments: (1) two thousand five hundred dollars (\$2,500) upon the recruit successfully completing the Oakland Police Academy, and (2) two thousand five hundred dollars (\$2,500) upon the recruit successfully completing the Field Training Program. Excluded from this incentive are members assigned to Recruitment, Training and Background Units.

Appendix B Length of Service Repayments due. This is an existing provision designed to ensure that the candidates either accept a commitment of service to the City or are responsible for costs associated with Academy training. If a recruit separates prior to one year, they will be responsible for 100% repayment of \$20,000 or maximum permitted by law, whichever is higher. Subsequent years are prorated: After two years, 60%; three years 40%; four years 20%; and after five years no repayment is due.

Attachment 3 Eligible lists. To assist with Department of Human Resources Management workload, promotional eligible lists will be extended from 12 to 18 months.

For Unrepresented Employees only:

Equity Adjustments

To maintain alignment with Human Resource Analyst classifications, represented by IFPTE, Local 21, the Senior Labor and Employee Relations Analyst and the Principal Employee Relations Analyst classifications are scheduled to receive an equity adjustment of five percent (5%) the first pay period in October 2022.

FISCAL IMPACT

The Costs of the newly agreed to and extended labor agreements are summarized in the Table below, represented in Thousands of Dollars for clarity, for the Current Fiscal Year and Next Biennium. The costs include changes to Wage, Positions Specific Equities, Premiums, and other Economic Items.

ESTIMATED COSTS OF LABOR AGREEMENTS AND SALARY ORDINANCE AMENDMENTS									
Costing uses the Adopted FY 2022-23 Midcycle Budget as its base, and assumes current Fringe Benefit Rates, Retirement Benefit Rates, and Vacancy Rates. Costing Excludes Overhead Rate Charges and Recoveries (Central, Departmental, & Divisional). Rounded to the Nearest \$1,000									
COSTS TO THE CITY OF OAKLAND	FY 2022-23			FY 2023-24			FY 2024-25		
	GPF	Non-GPF	All Funds	GPF	Non-GPF	All Funds	GPF	Non-GPF	All Funds
NON-SWORN	11,046	20,987	32,033	19,065	35,383	54,448	27,490	49,678	77,168
SEIU (1836 FTE)	4,351	8,878	13,228	7,397	16,088	23,485	10,434	22,598	33,032
Local 21 (1341 FTE)	5,631	11,287	16,917	9,801	17,828	27,628	14,319	24,915	39,234
CMEA (44 FTE)	320	252	572	538	449	986	775	661	1,435
IBEW (20 FTE)	17	148	164	29	263	292	43	388	431
Unrepresented Non-Sworn (58 FTE)	731	424	1,154	1,302	757	2,059	1,921	1,117	3,038
SWORN FIRE	3,833	59	3,891	6,493	79	6,572	12,214	122	12,336
IAAF Local 55 (528 FTE)	3,688	38	3,726	6,299	49	6,348	11,892	79	11,970
UnRepresented Sworn Fire (6 FTE)	145	21	166	194	31	225	323	44	367
SWORN POLICE	2,398	52	2,450	2,938	83	3,020	9,433	560	9,992
OPOA (710 FTE)	2,317	52	2,368	2,856	83	2,939	9,101	560	9,661
OPMA (14 FTE)	70	-	70	70	-	70	282	-	282
UnRepresented Sworn Police (2 FTE)	12	-	12	12	-	12	50	-	50
	-	-	-	-	-	-	-	-	-
GRAND TOTAL	17,277	21,098	38,374	28,496	35,545	64,040	49,137	50,360	99,496

A full breakdown of all costs associated with the agreements is located in **Attachment I**.

In Summary, over the life the agreements the cost to the City by MOU is noted below:
 The direct cost to the City is shown below. Please note that Sworn Contracts extend till FY 2025-26 while Non-Sworn Contracts end in FY 2024-25.

Bargaining Unit	Total Value
SEIU Local 1021	69,743,000
IFPTE Local 21	83,778,000
CMEA	2,992,000
IBEW Local 1245	886,000
IAAF Local 55	38,835,000
OPOA	31,493,000
OPMA	921,000
Total	228,648,000

Some labor Agreements also contain additional holiday and leave provisions that do not have a direct cost to the City assuming the days are used as leave; the impact to the City is in lost services. The value of services lost due of the additional one-time allocations of 5 Days Extra Vacation are estimated at \$4.0 million. The ongoing value of services lost of an additional City Holiday (Juneteenth) for personnel who will be on leave that day is estimated at \$1.8 million annually. Again these are estimates of service value lost rather than new costs.

Over the life of these Contracts the total Cost to the General Purpose Fund (GPF) is estimated at \$122.9 Million with another \$105.8 Million in Non-GPF costs. Over the course of the next Biennial Budget assuming current service levels, benefit, and vacancy rates the City expenditures are

projected be \$77.6 Million higher in the GPF and \$114.4 Million high across all fund than they would have been. These costs will be built into the Baseline for the coming Biennial Budget cycle and will likely necessitate significant balancing actions by the Mayor and Council in order to develop a balanced budget.

The FY 2022-23 Midcycle Adopted Budget Contains approximately \$9.7million in GPF Funds, \$16.4million in Non-GPF Funds, for a total of \$26.1 Million to support these increased costs. Total costs of these agreements exceed available funds by a total of \$12.3million; \$7.6million in the GPF and \$4.7million in Non-GPF Funds. These uncovered amounts result from increased Public Safety costs and Non-Sworn costs other than wage increases (e.g. Dental, Position Equities, Premiums).

Staff strongly recommends that any and all available resources be allocated to addressing this shortfall. This includes unappropriated savings from the Oakland Alameda County Coliseum Authority, OPD Vacancy Savings in the GPF and Other Funds, Available Non-GPF Fund Balances, any new revenues received, and any unbudgeted growth in existing revenues. Staff will work with the City Council as part of its final budget deliberations on July 26, 2022 for any other needed adjustments.

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 specific equity opportunities associated with this report.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council:

- 1) Adopt Resolutions Approving the Contract Extensions to the Memorandum of Understanding between the City of Oakland and:
 - a. The Confidential Management Employees Association Representing Employees In Representation Unit U31 Covering The Period of July 1, 2022 to June 30, 2025;
 - b. The International Brotherhood Of Electrical Workers, Local 1245 Representing Employees in Representation Units IE1 and TV1 Covering The Period Of July 1, 2022 To June 30, 2025;
 - c. The International Federation Of Professional & Technical Engineers ("IFPTE"), Local 21, Representing Employees In Representation Units TA1, TF1, TM2, TW1, UH1, UM1, UM2, TM1, And U41 Covering The Period Of July 1, 2022 To June 30, 2025;
 - d. The Service Employees International Union ("SEIU"), Local 1021 Representing Employees In Representation Units SB1, SC1, SD1, And SI1 Covering The Period Of July 1, 2022 To June 30, 2025;

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- e. The International Association of Firefighters (“IAFF”), Local 55 Representing Employees In Representation Units FQ1 Covering The Period Of July 1, 2022 To June 30, 2026;
 - f. The Oakland Police Officers’ Association (“OPOA”) Representing Employees In Representation Units PP1 And PT1 Covering The Period Of July 1, 2022 To June 30, 2026; And
 - g. The Oakland Police Management Association (“OPMA”) Representing Employees In Representation Units UN1 Covering The Period Of July 1, 2022 To June 30, 2026. And
 - h.
- 2) Adopt An Ordinance Amending The Salary Schedule Of Ordinance No. 12187 C.M.S. (“Salary Ordinance”) To:
- d. Provide Wage Increases For Employees Pursuant To The Memoranda Of Understanding Between The City Of Oakland And The Confidential Management Employee Association; The International Brotherhood Of Electrical Workers, Local 1245; The International Federation Of Professional And Technical Engineers, Local 21; The Service Employees International Union, Local 1021; And For Unrepresented Classifications CON, T11, U51, US1, UG1, UP1, UK1, And UK2 As Follows: I) 5% Effective The First Full Pay Period After July 1, 2022; II) 2.5% Effective The First Full Pay Period After July 1, 2023; III) 2.5% Effective The First Full Pay Period After January 1, 2024; IV) 2% Effective The First Full Pay Period After July 1, 2024; V) 2% Effective The First Full Pay Period After March 1, 2025;
 - e. Provide Wage Increases For Employees Pursuant To The International Association Of Firefighters, Local 55; The Oakland Police Officers’ Association; The Oakland Police Management Association; And For Unrepresented Units UN1, UR1 And UU1 As Follows: I) 3.5% Effective The First Full Pay Period After July 1, 2022; II) 3.5% Effective The First Full Pay Period After July 1, 2023; III) 3% Effective The First Full Pay Period After July 1, 2024; IV) 3% Effective The First Full Pay Period After July 1, 2025; And

- f. Provide Special Equity Adjustments As Follows: I) Pursuant To The MOU Between The City Of Oakland And The Confidential Management Employee Association, 5% Wage Increase For Certain Classifications In Representation Unit U31 Effective The First Full Pay Period After October 1, 2022; II) Pursuant To The MOU Between The City Of Oakland And The International Federation Of Professional And Technical Engineers, Local 21, Up To 7.5% Wage Increase For Certain Classifications In Representation Units TA1, TW1, TM2, TW1, UH1, UM2, And UM1 Effective The First Full Pay Period After October 1, 2022 And Wage Increases To Align The Salaries Of Certain Classifications In Representation Units TW1 And UM2 Effective The First Full Pay Period After January 1, 2023; III) Pursuant To The MOU Between The City Of Oakland And The Service Employees International Union, Local 1021, 3% Wage Increase For Certain Classifications In Representation Units SC1, SD1 And SI1 Effective The First Full Pay Period After October 1, 2022; IV) 5% Wage Increase For Certain Classifications In Unrepresented Units UP1 And UK2 Effective The First Full Pay Period After October 1, 2022.

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

Respectfully submitted,

Mark Love

Ian Appleyard
Director, Human Resources Management

Attachments (9):

- A: Tentative Agreement Between the City and CMEA
- B: Tentative Agreement Between the City and IBEW
- C: Tentative Agreement Between the City and IFPTE
- D: Tentative Agreement Between the City and SEIU
- E: Tentative Agreement Between the City and IAFF
- F: Tentative Agreement Between the City and OPOA and OPMA
- G: City Ordinance 12903 C.M.S.
- H: City Ordinance 12187 C.M.S.
- I: Costs of Labor Agreements and Salary Ordinance Amendments

