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June 17, 2014

HONORABLE CITY COUNCIL  
Oakland, California

**Subject: Resolution Authorizing the City Administrator to Execute a Settlement Agreement Between the City of Oakland and International Federation of Professional and Technical Engineers, Local 21 ("Local 21"), Resolving Damages Pertaining to the Arbitrator's Ruling Upholding Local 21's Grievance of the City of Oakland's Decision to Contract with the Oakland Museum of California Foundation to Operate the Museum, in the Amount of \$3,146,571.43**

President Kernighan and Members of the City Council:


Pursuant to Section 401 of the Charter, the City Attorney has prepared and requests your approval of a resolution that resolves damages pertaining to a 2013 arbitration decision and award. The arbitrator upheld Local 21's grievance of the City of Oakland's decision to contract with the Oakland Museum Foundation ("Foundation") to operate the Oakland Museum of California ("Museum"). Local 21 alleged the City:

- (1) laid off Local 21 members and contracted out their work to the Foundation in violation of the City Charter and the Memorandum of Understanding between the City and Local 21; and
- (2) committed an unfair labor practice by contracting out bargaining unit work to the Foundation without negotiating the decision and/or its effects and refused to provide relevant information in violation of the Meyers-Milias-Brown Act.

The City and Local 21 have negotiated a settlement agreement to resolve the damages pertaining to the arbitration decision in the amount of three million one hundred forty-six thousand five hundred seventy-one dollars and forty-three cents (\$3,146,571.43) payable by the City of Oakland. The payments will be made to employees who were impacted by the City's decision to contract with the Foundation to operate the Museum.

The Council authorized settlement of this case in Closed Session on Tuesday, April 1, 2014 (moved by Councilmember Reid and seconded by Councilmember Gibson McElhaney - 7 Ayes, 1 Absent – Councilmember Gallo).

Respectfully submitted,



BARBARA J. PARKER  
City Attorney

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## OAKLAND CITY COUNCIL

Resolution No. \_\_\_\_\_ C.M.S.

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**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A SETTLEMENT AGREEMENT BETWEEN THE CITY OF OAKLAND AND INTERNATIONAL FEDERATION OF PROFESSIONAL AND TECHNICAL ENGINEERS, LOCAL 21, RESOLVING DAMAGES PERTAINING TO THE ARBITRATOR'S RULING UPHOLDING LOCAL 21'S GRIEVANCE OF THE CITY OF OAKLAND'S DECISION TO CONTRACT WITH THE OAKLAND MUSEUM FOUNDATION TO OPERATE THE MUSEUM, IN THE AMOUNT OF THREE MILLION ONE HUNDRED FORTY-SIX THOUSAND FIVE HUNDRED SEVENTY-ONE DOLLARS AND FORTY-THREE CENTS (\$3,146,571.43)**

**WHEREAS**, the International Federation of Professional and Technical Engineers, Local 21 ("Local 21") filed a grievance alleging that the City laid off Local 21 members and contracted out their work to the Oakland Museum of California Foundation ("Foundation"), a separate entity, in violation of the City Charter and the Memorandum of Understanding between the City and Local 21, and that the City committed an unfair labor practice by contracting out bargaining unit work to the Foundation without negotiating the decision and/or its effects and refused to provide relevant information in violation of the Meyers-Milias-Brown Act; and

**WHEREAS**, in 2013, an arbitrator issued a decision and award upholding the foregoing grievance; and

**WHEREAS**, the City and Local 21 negotiated a settlement agreement to resolve the damages pertaining to the arbitration decision in the amount of \$3,146,571.43 payable by the City of Oakland; and

**WHEREAS**, the payments will be made to employees who were impacted by the City's decision to contract with the Foundation to operate the Museum; now therefore be it

**RESOLVED:** that the City Council authorizes the City Administrator to execute the settlement agreement and take all other actions necessary or appropriate to implement the agreement; and be it

