

OFFICE OF THE CIT & CLERK

ZOID OCT 31 PM 3: 57 AGENDA REPORT

TO: Sabrina B. Landreth City Administrator FROM: Ian Appleyard Human Resources Management Director

SUBJECT: MOU Approval Between the City of Oakland and IFPTE, LOCAL 21 and Salary Ordinance Amendment DATE: November 5, 2019

Date:

City Administrator Approval

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 Federation of Professional and Technical Engineers ("IFPTE"), Local 21 Representing Employees In Representation Units TA1, TF1, TM2, TW1, UH1, UM1, UM2, TM1, And U41, Covering The Period From Of July 1, 2019 Through June 30, 2021 And;

2) Amend The Salary Schedule Of Ordinance No. 12187 C.M.S. ("Salary Ordinance") To Provide Wage Increases To Represented Employees In Representation Units TA1, TF1, TM2, TW1, UH1, UM1, UM2, TM1, And U41 Pursuant To The Tentative Agreement To The Memorandum Of Understanding Between The City Of Oakland And The International Federation of Professional and Technical Engineers, Local 21; The Wage Increases Shall Be As Follows: An Increase Of 1% Effective The First Full Pay Period Following July 1, 2019; Increase Of 1% Effective The First Full Pay Period Following November 1, 2019; Increase Of 1% Effective The First Full Pay Period Following January 1, 2020; Increase Of 2% Effective The First Full Pay Period Following July 1, 2020; And An Increase Of 1% Effective The First Full Pay Period Following January 1, 2020; And An Increase Of 1% Effective The First Full Pay Period Following January 1, 2021

EXECUTIVE SUMMARY

The City of Oakland has reached a tentative agreement on wages and other terms and conditions of employment with the International Federation of Professional and Technical Engineers, Local 21 ("IFPTE" or "Union"). The term of the agreement is from July 1, 2019 through June 30, 2021 and includes, but is not limited to the following revisions to the Memorandum of Understanding ("MOU"): the addition of Traumatic Incident Leave, continuation of paid Baby Bonding leave, flexibility in observance of Christmas Eve or New Year's Eve, and revisions to vacation and sick leave sell back to account for constructive-receipt tax implications.

Sabrina B. Landreth, City Administrator Subject: IFPTE MOU Approval and Salary Ordinance Amendment Date: November 5, 2019

The proposed amendment to the Salary Ordinance has been prepared to provide wage increases of one percent (1%) effective the first full pay period following July 1, 2019; an increase of one percent (1%) effective the first full pay period following November 1, 2019; increase of one percent (1%) effective the first full pay period following January 1, 2020; increase of two percent (2%) effective the first full pay period following July 1, 2020; and an increase of one percent (1%) effective the first full pay period following July 1, 2020; and an increase of one percent (1%) effective the first full pay period following January 1, 2020;

BACKGROUND / LEGISLATIVE HISTORY

The current Memorandum of Understanding (MOU) between the City of Oakland and the IFPTE expired on June 30, 2019. Since February 2019, the City and IFPTE negotiation teams met regularly in an effort to sign off on a comprehensive successor agreement. A small but significant number of issues could not be resolved jointly through formal labor negotiations and became subject to the fact-finding process under the Meyers-Milias Brown Act. The parties participated in fact finding for three days, and returned to mediation resulting in a comprehensive tentative agreement.

ANALYSIS

Approval of the proposed Resolution is necessary to adopt the Tentative Agreement for incorporation into the successor MOU between the City and IFPTE. The IFPTE ratification vote was held on or about October 29-31, 2019 and members passed the Tentative Agreement. The Agenda Report, Ordinance, and Resolution are prepared for Council approval and authorization following Union ratification. A Salary Ordinance amendment requires two readings, so it will be presented for its first reading on November 5, 2019, for consideration and approval and a second reading at the next regularly scheduled City Council meeting. If for any reason the Tentative Agreement/MOU is not finalized or approved, the Salary Ordinance amendment could be canceled or delayed if required. The following is a <u>summary</u> of the key provisions of the tentative agreements, excluding the numerous tentative agreements reached on non-substantive, cleanup language:

Article 5:

<u>Compensation</u>. An increase of one percent (1%) effective the first full pay period following July 1, 2019; an increase of one percent (1%) effective the first full pay period following November 1, 2019; increase of one percent (1%) effective the first full pay period following January 1, 2020; increase of two percent (2%) effective the first full pay period following July 1, 2020; and an increase of one percent (1%) effective the first full pay period following July 1, 2020; and an increase of one percent (1%) effective the first full pay period following July 1, 2020; and an increase of one percent (1%) effective the first full pay period following January 1, 2021.

<u>Traumatic Incident Leave</u>. Addition to the MOU that provides EAP services and possible paid administrative leave to unit members who experience qualifying traumatic incidents while on duty.

Article 9:

<u>Baby Bonding</u>. Making the baby bonding provision a paid benefit that no longer sunsets.

<u>Sick Leave Sell Back.</u> Eligible employees may no longer sell back accrued sick leave but may convert it to vacation leave at the ratio of two sick days to one vacation day up to a maximum of seven vacation days. Eligible employees continue to be required to maintain a minimum of 60 (sixty) days of accumulated sick leave balance at the beginning of the calendar year.

- Article 10: <u>Vacation Sell Back.</u> Employees must pre-elect vacation sell back requests to avoid constructive receipt tax implications. The parties agree to include hardship as exception.
- Article 11: <u>Christmas or New Year's Eve</u>. Providing either the day prior or the day following Christmas or New Year's to be observed as the employee's holiday.
- Appendix: <u>Workweek for Principal Inspection Supervisors</u>. Aligns the Principal Inspection Supervisors' workweek with the forty-hour work week of those classifications supervised.

FISCAL IMPACT

The cost of the labor agreement with IFPTE, Local 21, covering July 1, 2019, through June 30, 2021, is approximately \$14.3 million over two fiscal years (\$4.6 million in FY 2019-20 and \$9.7 million in FY 2020-21). The total costs associated with the contract includes general wage increases and other economic provisions that will be absorbed within existing departmental budgets. The first year cost of the agreement can be supported by existing appropriations in FY 2019-20. The second year costs of the agreement will be addressed in the FY 2020-21 Mid-Cycle Budget Amendment 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 & Equity: There are no social 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 Federation of Professional and Technical Engineers ("IFPTE"), Local 21 Representing Employees In Representation Units TA1, TF1, TM2, TW1, UH1, UM1, UM2, TM1, And U41, Covering The Period From Of July 1, 2019 Through June 30, 2021 And;

2) Amend The Salary Schedule Of Ordinance No. 12187 C.M.S. ("Salary Ordinance") To Provide Wage Increases To Represented Employees In Representation Units TA1, TF1, TM2, TW1, UH1, UM1, UM2, TM1, And U41 Pursuant To The Tentative Agreement To The Memorandum Of Understanding Between The City Of Oakland And The International Federation of Professional and Technical Engineers, Local 21; The Wage Increases Shall Be As Follows: An Increase Of 1% Effective The First Full Pay Period Following July 1, 2019; Increase Of 1% Effective The First Full Pay Period Following November 1, 2019; Increase Of 1% Effective The First Full Pay Period Following January 1, 2020; Increase Of 2% Effective The First Full Pay Period Following July 1, 2020; And An Increase Of 1% Effective The First Full Pay Period Following January 1, 2021

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

Respectfully submitted,

Ian Appleyard Director, Human Resources Management

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

Attachments (2):

A. Wage increases by classification

B. Tentative Agreements

OFFICE OF THE CITY CLERK



City Attorney's Office

2019 OCT 31 PM 3: 57

OAKLAND CITY COUNCIL

RESOLUTION NO.

C.M.S.

INTRODUCED BY COUNCILMEMBER PRESIDENT KAPLAN

RESOLUTION APPROVING MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OAKLAND AND THE INTERNATIONAL FEDERATION OF PROFESSIONAL AND TECHNICAL ENGINEERS ("IFPTE") LOCAL 21, REPRESENTING EMPLOYEES IN REPRESENTATION UNITS TA1, TF1, TM2, TW1, UH1, UM1, UM2, TM1, And U41, COVERING THE PERIOD FROM OF JULY 1, 2019 THROUGH JUNE 30, 2021

WHEREAS, the Tentative Agreement to the Memorandum of Understanding to be entered into between the City of Oakland and the International Federation of Professional and Technical Engineers ("IFPTE"), Local 21 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 Tentative Agreement to the Memorandum of Understanding are described in the Report from the City Administrator dated November 5, 2019; and

WHEREAS, the terms and conditions contained in said Tentative Agreement 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 Tentative Agreement to the Memorandum of Understanding are effective as of July 1, 2019 unless otherwise set forth in the Agreement.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO AND PRESIDENT KAPLAN

NOES -

ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS City Clerk and Clerk of the Council of the City of Oakland, California