

PERSONNEL, AUDITS, AND ANIMAL WELFARE COMMITTEE REPORT relative to Tentative Agreements and Memorandums of Understanding (MOU) for the Administrative (MOU 01), Supervisory Technical (MOU 19), Supervisory Administrative (MOU 20), and Technical (MOU 21) bargaining units.

Recommendations for Council action:

1. APPROVE the attached Tentative Agreements with the Engineers and Architects Association (EAA) on behalf of MOUs 01, 19, 20, and MOU 21 regarding the salary reopener provisions contained in the 2019-2023 MOUs.
2. APPROVE the attached amendments to MOUs 01, 19, 20, and 21 that would codify the provisions of the attached Tentative Agreements; Pursuant to Council File No. 12-1148, approve the terms of the Tentative Agreement with EAA to be applied to non-represented classifications.
3. AUTHORIZE the Controller and the CAO to correct any clerical errors in the MOU, or make necessary technical corrections subsequent to City Council approval.

Fiscal Impact Statement: The CAO reports that the General Fund impact of the Salary Reopener Tentative Agreements and amendments to EAA-represented MOUs will be a total of approximately \$19 million in Fiscal Year (FY) 2022-23 and \$26.5 million in FY 2023-24. This General Fund impact combines the cost of administering the terms of the Salary Reopener Agreement for EAA unit members, as well as non-represented classifications.

Community Impact Statement: None submitted.

Summary:

On June 15, 2022, your Committee considered a June 9, 2022 CAO report relative to Tentative Agreements and MOUs for MOUs 01, 19, 20, and 21. According to the CAO, in February 2021, the City Council approved an agreement with EAA to modify the terms and conditions contained in the 2019-2022 MOUs, including but not limited to extending the term of the MOU (through December 2023), deferring scheduled base wage increases, and including a clause to reopen the MOU on or after January 1, 2022, to engage in discussions exclusively about wages (Salary Reopener).

At the direction of the Executive Employee Relations Committee (EERC), the CAO met with EAA from January through April 2022. In accordance with EERC instructions, a Tentative Agreement has been reached with EAA for the bargaining units it represents.

As part of the February 2021 MOU amendment, EAA agreed to defer three base wage increases (2 percent from January 2021 to June 2022; 2 percent from January 2022 to January 2023; and 1 1/2 percent from June 2022 to June 2023). The proposed Tentative

Agreements provide a non-pensionable, biweekly bonus of three percent (3%) of each eligible employee's regular base rate of pay. The bonus will commence on July 3, 2022, and will cease on July 1, 2023. On July 2, 2023, all base hourly rates for all classifications represented in MOUs 1, 19, 20, and 21 shall be increased by 3 percent.

In accordance with the recommendations of Section 1.D. of the CAO report found in Council File No. 12-1148, and adopted by Council on August 1, 2012, all non-represented employees are subject to receive the same negotiated and adopted salary adjustments as EAA. As such, all non-represented classifications shall receive the same biweekly bonus of three percent (3 percent) on each eligible employee's regular base rate of pay, as described above. Also, all non-represented employees shall receive the same base hourly rate increase of 3 percent, effective July 2, 2023. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the CAO report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Personnel, Audits, and Animal Welfare Committee

**COUNCILMEMBER VOTE**

KORETZ: YES

HARRIS-DAWSON: YES

BONIN: ABSENT

ARL

6/15/22

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**