

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING THE TERMS OF AN AGREEMENT BETWEEN THE CITY OF SAN JOSE AND MUNICIPAL EMPLOYEES' FEDERATION, AFSCME, LOCAL 101 (MEF) RELATING TO PAY INCREASES, APPROVING THE TERMS OF AN AGREEMENT BETWEEN THE CITY OF SAN JOSE AND CITY ASSOCIATION OF MANAGEMENT PERSONNEL, IFPTE, LOCAL 21 (CAMP) RELATING TO PAY INCREASES, AND AMENDING THE PAY PLAN

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN JOSE:

1. That the terms of a Side Letter Agreement between the City and MEF are approved as follows:

- a. Provide employees in the Permit Specialist (3954) classification with an approximate 5.64% pensionable pay increase effective the beginning of the first full pay period after the Side Letter Agreement has been signed by all parties and has been approved by the City Council;
- b. Provide employees in the Senior Permit Specialist (3955) classification with an approximate 7.06% pensionable pay increase effective the beginning of the first full pay period after the Side Letter Agreement has been signed by all parties and has been approved by the City Council; and
- c. Provide employees in the Principal Permit Specialist (3950) classification with an approximate 5.64% pensionable pay increase effective the beginning of the first full pay period after the Side Letter Agreement has been signed by all parties and has been approved by the City Council.

2. That the terms of a Side Letter Agreement between the City and CAMP are approved as follows:

- a. Provide employees in the Animal Shelter Veterinarian FT (3255) classification with an approximate 25.00% pensionable pay increase effective the beginning of the first full pay period after the Side Letter Agreement has been signed by all parties and has been approved by the City Council; and
- b. Provide employees in the Animal Shelter Veterinarian PT (3256) classification with an approximate 18.22% pensionable pay increase effective the beginning of the first full pay period after the Side Letter Agreement has been signed by all parties and has been approved by the City Council.

3. That the City of San Jose Pay Plan is amended as follows:
 - a. Amend the City of San Jose Pay Plan to increase the annual salary range of the classification of Permit Specialist (3954) to \$60,775.21–\$73,980.52, effective February 20, 2022;
 - b. Amend the City of San Jose Pay Plan to increase the annual salary range of the classification of Senior Permit Specialist (3955) to \$68,540.27–\$83,437.42, effective February 20, 2022;
 - c. Amend the City of San Jose Pay Plan to increase the annual salary range of the classification of Principal Permit Specialist (3950) to \$74,443.14–\$90,505.10, effective February 20, 2022;
 - d. Amend the City of San Jose Pay Plan to increase the annual salary range of the classification of Animal Shelter Veterinarian FT (3255) to \$118,580.80 – \$144,456.00, effective February 20, 2022; and
 - e. Amend the City of San Jose Pay Plan to increase the annual salary range of the classification of Animal Shelter Veterinarian PT (3256) to \$112,153.60 – \$155,334.40, effective February 20, 2022.

4. The terms of the Side Letter Agreements are set forth in the Memorandum to the Mayor and City Council dated January 21, 2022 from Jennifer Schembri, Director of Employee Relations and Director of Human Resources, and attached hereto as Attachment A and incorporated in this Resolution.

ADOPTED this ____ day of _____, 2022, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk

NVF:SSH
1/24/22

ATTACHMENT A

T-18187/1885676.doc
Council Agenda: 2-8-22
Item No.:2.8

DRAFT--Contact the Office of the City Clerk at (408) 535-1260 or CityClerk@sanjoseca.gov for final document.



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jennifer Schembri

SUBJECT: SEE BELOW

DATE: January 21, 2022

Approved

Date

SUBJECT: TERMS OF SIDE LETTER AGREEMENTS BETWEEN THE CITY OF SAN JOSE, THE MUNICIPAL EMPLOYEES' FEDERATION, AND THE CITY ASSOCIATION OF MANAGEMENT PERSONNEL AND AMENDING THE PAY PLAN

RECOMMENDATION

Adopt a resolution to:

- A. Approve the terms of a Side Letter Agreement with the Municipal Employees' Federation, AFSCME, Local 101 (MEF) to provide the following:
 - 1. Provide employees in the Permit Specialist (3954) classification with an approximate 5.64% pensionable pay increase effective the beginning of the first full pay period after the Side Letter Agreement has been signed by all parties and has been approved by the City Council;
 - 2. Provide employees in the Senior Permit Specialist (3955) classification with an approximate 7.06% pensionable pay increase effective the beginning of the first full pay period after the Side Letter Agreement has been signed by all parties and has been approved by the City Council; and
 - 3. Provide employees in the Principal Permit Specialist (3950) classification with an approximate 5.64% pensionable pay increase effective the beginning of the first full pay period after the Side Letter Agreement has been signed by all parties and has been approved by the City Council.

- B. Approve the terms of a Side Letter Agreement with the City Association of Management Personnel, IFPTE, Local 21 (CAMP) to provide the following:
 - 1. Provide employees in the Animal Shelter Veterinarian FT (3255) classification with an approximate 25.00% pensionable pay increase effective the beginning of the first full pay period after the Side Letter Agreement has been signed by all parties and has been approved by the City Council;

2. Provide employees in the Animal Shelter Veterinarian PT (3256) classification with an approximate 18.22% pensionable pay increase effective the beginning of the first full pay period after the Side Letter Agreement has been signed by all parties and has been approved by the City Council;

C. Amend the City of San Jose Pay Plan as follows:

1. Amend the City of San Jose Pay Plan to increase the annual salary range of the classification of Permit Specialist (3954) to \$60,775.21 – \$73,980.52, effective February 20, 2022;
2. Amend the City of San Jose Pay Plan to increase the annual salary range of the classification of Senior Permit Specialist (3955) to \$68,540.27 – \$83,437.42, effective February 20, 2022; and
3. Amend the City of San Jose Pay Plan to increase the annual salary range of the classification of Principal Permit Specialist (3950) to \$74,443.14 – \$90,505.10, effective February 20, 2022.
4. Amend the City of San Jose Pay Plan to increase the annual salary range of the classification of Animal Shelter Veterinarian FT (3255) to \$118,580.80 – \$144,456.00, effective February 20, 2022.
5. Amend the City of San Jose Pay Plan to increase the annual salary range of the classification of Animal Shelter Veterinarian PT (3256) to \$112,153.60 – \$155,334.40, effective February 20, 2022.

OUTCOME

Adoption of the resolution will approve a Side Letter Agreement between the City and MEF to allow for a pensionable pay increase for the Permit Specialist (3954), Senior Permit Specialist (3955), and Principal Permit Specialist (3950) classifications as provided in the table below:

Classification	Pensionable Increase
Permit Specialist (3954)	5.64%
Senior Permit Specialist (3955)	7.06%
Principal Permit Specialist (3950)	5.64%

Adoption of the resolution will also approve a Side Letter Agreement between the City and CAMP to allow for a pensionable pay increase for the Animal Shelter Veterinarian FT (3255) and Animal Shelter Veterinarian PT (3256) classifications as provided in the table below:

Classification	Pensionable Increase
Animal Shelter Veterinarian FT (3255)	25.00%
Animal Shelter Veterinarian PT (3256)	18.22%

Further, the City of San Jose’s Pay Plan will be amended to change the salary ranges for the classifications noted above in accordance with the terms of the Side Letter Agreements.

BACKGROUND

Permit Specialist Series

Classifications in the Permit Specialist series are responsible for various tasks, including, but not limited to, construction review, permit issuance, and customer service functions related to the plan review processes and permit issuance and performing related work as required.

As part of an overall agreement on a successor Memorandum of Agreement (MOA) in 2021, the City and MEF signed a side letter agreement where the City would conduct a review of the Permit Specialist series salaries due to recruitment and retention concerns in the classification series (Attachment A).

With respect to the review of the Permit Specialist series salaries, Article 22 of the MEF MOA defines the marketplace of cities and counties for the purpose of identifying comparable classifications for salary survey purposes, and a survey of these Bay Area agencies was conducted in November 2021 and revealed that the City of San José salary ranges for the Permit Specialists series were slightly under Bay Area market for similar classifications.

On January 19, 2022, the City and MEF signed a subsequent side letter agreement that would bring the salary ranges of the Permit Specialist series to 100% of the market rate determined in the November 2021 survey, resulting in the following pensionable wage increases (Attachment B):

Classification	Pensionable Increase
Permit Specialist (3954)	5.64%
Senior Permit Specialist (3955)	7.06%
Principal Permit Specialist (3950)	5.64%

Classification	Current Pensionable Salary Range (Annual)	New Pensionable Salary Range (Annual)
Permit Specialist (3954)	\$57,532.80 – \$70,033.60	\$60,775.21 – \$73,980.52
Senior Permit Specialist (3955)	\$64,022.40 – \$77,937.60	\$68,540.27 – \$83,437.42
Principal Permit Specialist (3950)	\$70,470.40 – \$85,675.20	\$74,443.14 – \$90,505.10

As these classifications are represented by MEF, they will continue to receive a 5% ongoing non-pensionable compensation increase based on their pensionable rate of pay, per Article 12.1.1 of the MEF MOA.

Animal Shelter Veterinarian FT/PT

Incumbents in the Animal Shelter Veterinarian FT/PT classifications are responsible for all medical treatments performed at the City of San José Animal Care Center.

The Department of Public Works provides services to our community at the City of San José Animal Care Center with 2.0 Animal Shelter Veterinarian (FT) budgeted FTEs, and 1.4 Animal Shelter Veterinarian (PT) budgeted FTEs. This staffing model is reliant on many part-time unbenefited Animal Shelter Veterinarians to provide supplemental coverage in addition to the two full-time employees. Because the Department has recently found it difficult to attract part-time Animal Shelter Veterinarians and it is expected that there would be similar difficulty in attracting candidates in the full-time classification, the City conducted a salary survey of comparable classifications in agencies in the City’s marketplace that operate an animal shelter. This survey found that the City’s Animal Shelter Veterinarian classifications were paid below 100% of market.

The City and CAMP engaged in the meet and confer process over potential wage adjustments to the Animal Shelter Veterinarian FT/PT classifications, and on January 20, 2022, reached a side letter agreement to bring the Animal Shelter Veterinarian PT classification to 100% of the market rate determined in the City’s salary survey, and to increase the Animal Shelter Veterinarian FT classification to slightly higher than 100% of the market rate based on their additional management, policy, and strategic responsibilities, resulting in the following pensionable wage increases (Attachment C):

Classification	Pensionable Increase
Animal Shelter Veterinarian FT (3255)	25.00%
Animal Shelter Veterinarian PT (3256)	18.22%

Classification	Current Pensionable Salary Range (Annual)	New Pensionable Salary Range (Annual)
Animal Shelter Veterinarian FT (3255)	\$94,868.80 – \$115,564.80	\$118,580.80 – \$144,456.00
Animal Shelter Veterinarian PT (3256)	\$94,868.80 – \$131,393.60	\$112,153.60 – \$155,334.40

As these classifications are represented by CAMP, they will continue to receive a 5% ongoing non-pensionable compensation increase based on their pensionable rate of pay, per Article 10.1 of the CAMP MOA.

ANALYSIS

The following is a summary of the key provisions contained in the Side Letter Agreements:

Permit Specialist Base Pay Increase	Effective the first pay period after the agreement has been signed by all parties and has been approved by the City Council, employees in the Permit Specialist classification shall receive a pensionable base pay increase in the amount of 5.64%. This will result in an increase to the top and bottom of the salary range in the Pay Plan for the Permit Specialist classification.
Senior Permit Specialist Base Pay Increase	Effective the first pay period after the agreement has been signed by all parties and has been approved by the City Council, employees in the Senior Permit Specialist classification shall receive a pensionable base pay increase in the amount of 7.06%. This will result in an increase to the top and bottom of the salary range in the Pay Plan for the Senior Permit Specialist classification.
Principal Permit Specialist Base Pay Increase	Effective the first pay period after the agreement has been signed by all parties and has been approved by the City Council, employees in the Principal Permit Specialist classification shall receive a pensionable base pay increase in the amount of 5.64%. This will result in an increase to the top and bottom of the salary range in the Pay Plan for the Principal Permit Specialist classification.
Animal Shelter Veterinarian FT Base Pay Increase	Effective the first pay period after the agreement has been signed by all parties and has been approved by the City Council, employees in the Animal Shelter Veterinarian FT classification shall receive a pensionable base pay increase in the amount of 25.00%. This will result in an increase to the top and bottom of the salary range in the Pay Plan for the Animal Shelter Veterinarian FT classification.
Animal Shelter Veterinarian PT Base Pay Increase	Effective the first pay period after the agreement has been signed by all parties and has been approved by the City Council, employees in the Animal Shelter Veterinarian PT classification shall receive a pensionable base pay increase in the amount of 18.22%. This will result in an increase to the top and bottom of the salary range in the Pay Plan for the Animal Shelter Veterinarian PT classification.

CONCLUSION

Due to the recruitment and retention issues in the Permit Specialist series, it is recommended that the City Council adopt the Administration's recommendation outlined in this memorandum which

HONORABLE MAYOR AND CITY COUNCIL

January 21, 2022

Subject: Terms of a Side Letter Agreements Between the City of San Jose and the Municipal Employees' Federation, AFSCME, Local 101 (MEF), and the City Association of Management Personnel, IFPTE, Local 21 (CAMP)

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would provide a pensionable base pay increase to the Permit Specialist (3954), Senior Permit Specialist (3955) and Principal Permit Specialist (3950) classifications, as indicated above. Additionally, it is recommended that the City Council adopt the Administration's recommendation outlined in this memorandum which would provide a pensionable base pay increase to the Animal Shelter Veterinarian FT (3255) and Animal Shelter Veterinarian PT (3256) classifications, as indicated above.

Based on the recommended adjustments to the salary ranges of the various classification as set forth above, the City of San Jose's Pay Plan will be amended to change the salary ranges for the classifications in accordance with the terms of the Side Letter Agreements

EVALUATION AND FOLLOW-UP

No further follow-up with the City Council related to this action is anticipated at this time.

CLIMATE SMART SAN JOSE

The recommendation in this memo has no effect on Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

This memorandum has been posted on the City Clerk's website as part of the February 8, 2022, City Council Meeting Agenda.

COORDINATION

This memorandum was coordinated with the City Manager's Budget Office, and the City Attorney's Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

HONORABLE MAYOR AND CITY COUNCIL

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COST SUMMARY/IMPLICATIONS

The additional ongoing costs pertaining to the base pay increase for the Permit Specialist (3954), Senior Permit Specialist (3955), and Principal Permit Specialist (3950) classifications are approximately \$257,500, which is all funded by special funds, primarily by the Development Fee Program Funds. With City Council approval of the recommended actions, these increased costs will be factored into the development of the 2022-2023 Base Budget, which may result in future permit fee increases. Given the current level of vacancies, the increased costs for the remainder of 2021-2022 are anticipated to be absorbed within existing budgets in the Planning, Building, and Code Enforcement Department and the Fire Department. If necessary, the Administration will bring forward any increases to the existing appropriation in 2021-2022 as part of a future budget process.

The additional ongoing costs pertaining to the base pay increase for the Animal Shelter Veterinarian FT (3255) and Animal Shelter Veterinarian PT (3256) classifications are approximately \$136,000 in the General Fund. With the City Council approval of the recommended actions, these increased costs will be factored into the development of the 2022-2023 Base Budget. It is anticipated that the Public Works Department will absorb the increased costs within their existing budget for the remainder of 2021-2022. If necessary, the Administration will bring forward any increases to the existing appropriation in 2021-2022 as part of a future budget process.

CEQA

Not a Project, File No. PP17 008, General Procedure & Policy Making resulting in no changes to the physical environment.


JENNIFER SCHEMBRI
Director of Employee Relations
Director of Human Resources

The principal authors of this memorandum are Randi Perry, Senior Executive Analyst in the Office of Employee Relations, and Bill Gold, Senior Executive Analyst in the Office of Employee Relations. For questions, please contact Jennifer Schembri, Director of the Office of Employee Relations and Director of Human Resources, at (408) 535-8150.

Attachments