



COUNCIL AGENDA: 6/21/22
FILE: 22-966
ITEM: 3.5

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jennifer Schembri

SUBJECT: SEE BELOW

DATE: June 2, 2022

Approved

Date

6/10/2022

SUBJECT: TERMS OF TENTATIVE AGREEMENTS BETWEEN THE CITY OF SAN JOSE AND EACH OF THE FOLLOWING BARGAINING UNITS: THE ASSOCIATION OF ENGINEERS AND ARCHITECTS, IFPTE, LOCAL 21 (AEA), THE ASSOCIATION OF LEGAL PROFESSIONALS (ALP), THE ASSOCIATION OF MAINTENANCE SUPERVISORY PERSONNEL, IFPTE, LOCAL 21 (AMSP), THE CITY ASSOCIATION OF MANAGEMENT PERSONNEL, IFPTE, LOCAL 21 (CAMP), THE MUNICIPAL EMPLOYEES' FEDERATION, AFSCME LOCAL 101 (MEF), AND THE INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL NO. 3 (OE#3); CHANGES TO COMPENSATION FOR CLASSIFICATIONS ASSIGNED TO SAN JOSE POLICE DISPATCHER ASSOCIATION (SJPDA); AND CHANGES TO COMPENSATION FOR EXECUTIVE MANAGEMENT AND PROFESSIONAL EMPLOYEES IN UNIT 99 AND OTHER UNREPRESENTED EMPLOYEES (UNITS 81/82) FOR FISCAL YEAR 2022-2023

RECOMMENDATION

Adopt a resolution to:

- A. Approve the terms of an Agreement with the Association of Engineers and Architects, IFPTE, Local 21 (AEA) to provide the following effective June 26, 2022:
 1. All salary ranges for employees holding positions assigned to AEA with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50% consistent with the Agreement that has been signed by all parties. This will result in both the top and bottom step of the pay range being increased by approximately 4.50%.
- B. Approve the terms of an Agreement with the Association of Legal Professionals (ALP) to provide the following effective June 26, 2022:

1. All salary ranges for employees holding positions assigned to ALP with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50% consistent with the Agreement that has been signed by all parties. This will result in both the top and bottom step of the pay range being increased by approximately 4.50%.
- C. Approve the terms of an Agreement with the Association of Maintenance Supervisory Personnel, IFPTE, Local 21 (AMSP) to provide the following effective June 26, 2022:
1. All salary ranges for employees holding positions assigned to AMSP with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50% consistent with the Agreement that has been signed by all parties. This will result in both the top and bottom step of the pay range being increased by approximately 4.50%.
- D. Approve the terms of an Agreement with the City Association of Management Personnel, IFPTE, Local 21 (CAMP) to provide the following effective June 26, 2022:
1. All salary ranges for employees holding positions assigned to CAMP with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50% consistent with the Agreement that has been signed by all parties. This will result in both the top and bottom step of the pay range being increased by approximately 4.50%.
- E. Approve the terms of an Agreement with the Municipal Employees' Federation, AFSCME, Local 101 (MEF) to provide the following effective June 26, 2022:
1. All salary ranges for employees holding positions assigned to MEF with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50% consistent with the Agreement that has been signed by all parties. This will result in both the top and bottom step of the pay range being increased by approximately 4.50%.
- F. Approve the terms of an Agreement with the International Union of Operating Engineers, Local No. 3 (OE#3) to provide the following effective June 26, 2022:
1. All salary ranges for employees holding positions assigned to OE#3 with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50% consistent with the Agreement that has been signed by all parties. This will result in both the top and bottom step of the pay range being increased by approximately 4.50%.

- G. Approve compensation changes for employees assigned to the San José Police Dispatchers' Association (SJPDA) for Fiscal Year 2022-2023 to provide the following effective June 26, 2022:
1. All salary ranges for employees holding positions assigned to SJPDA with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50%. This will result in both the top and bottom of the pay range being increased by approximately 4.50%.
- H. Approve compensation changes for executive management and professional employees in Unit 99 and other unrepresented employees (Units 81/82) for Fiscal Year 2022-2023 to provide the following effective June 26, 2022:
1. Executive management and professional employees in Unit 99 and other unrepresented employees (Units 81/82) will receive an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50%. This will result in both the top and bottom of the pay range being increased by approximately 4.50%.

OUTCOME

Adoption of the resolution would result in employees in classifications assigned to AEA, ALP, AMSP, CAMP, MEF, OE#3, SJPDA, Unit 99, and Units 81/82 receiving an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50% in Fiscal Year 2022-2023, which will become effective June 26, 2022.

BACKGROUND

In 2021, as part of overall agreements on the terms of successor Memoranda of Agreements with AEA, ALP, AMSP, MEF and OE#3, the City agreed to the following:

In the event that the City's most recent budget forecast of ongoing revenues and expenditures used for the development of the Base Budget for 2022-2023 shows that the City will have a total cumulative General Fund surplus for Fiscal Year 2022-2023, upon request by the union, this Agreement shall reopen on the subject of wages only, and the parties will meet and confer on the topic of wages for Fiscal Year 2022-2023, only.

The [City's Five-Year Forecast for 2023-2027](#) was released in February 2022, and indicated that there would be a total cumulative General Fund surplus for Fiscal Year 2022-2023. On March 21, 2022, AEA, AMSP, CAMP and MEF requested to commence the meet and confer process on the topic of wages for Fiscal Year 2022-2023. On May 17, 2022, the City also began similar

June 2, 2022

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discussions with ALP and OE#3. On the dates, below, the City reached Agreements on the topic of wages for Fiscal Year 2022-2023 (Attachment), thus concluding the meet and confer process as agreed to with AEA, ALP, AMSP, CAMP, MEF, and OE#3.

Union	Date of Agreement	Attachment #
AEA	May 26, 2022	Attachment A
ALP	May 25, 2022	Attachment B
AMSP	May 26, 2022	Attachment C
CAMP	May 26, 2022	Attachment D
MEF	May 26, 2022	Attachment E
OE#3	May 27, 2022	Attachment F

These agreements consist of the following:

Effective the first pay period in Fiscal Year 2022-2023, following union ratification and Council approval in open session, all salary ranges for employees holding positions in classifications assigned to [the union] shall be increased by an additional approximate 1.50% based on the rate of pay as of June 25, 2022, for a total pensionable increase of approximately 4.50% in Fiscal Year 2022-2023.

Effective May 1, 2022, the SJPDA was officially recognized by the City as its own bargaining unit. Classifications and employees assigned to SJPDA were historically part of MEF. Upon formation of SJPDA, it was agreed to by the parties that the terms and conditions of the City's Memorandum of Agreement with MEF would apply to SJPDA through the expiration of the current Memorandum of Agreement. As such, the City is recommending that the SJPDA receive an additional 1.50% general wage increase consistent with the general wage increase that has been agreed to with MEF.

The recommended compensation changes for Executive Management (Unit 99) and unrepresented employees (Units 81/82) contained in this memorandum are consistent with the agreements reached, above.

ANALYSIS

The following is a summary of the key provisions contained in this memorandum:

Pensionable General Wage Increase (AEA)	Effective June 26, 2022, provide classifications assigned to AEA with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50%. This will result in both the top and bottom step of the pay range being increased by approximately 4.50%.
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Pensionable General Wage Increase (ALP)	Effective June 26, 2022, provide classifications assigned to ALP with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50%. This will result in both the top and bottom step of the pay range being increased by approximately 4.50%.
Pensionable General Wage Increase (AMSP)	Effective June 26, 2022, provide classifications assigned to AMSP with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50%. This will result in both the top and bottom step of the pay range being increased by approximately 4.50%.
Pensionable General Wage Increase (CAMP)	Effective June 26, 2022, provide classifications assigned to CAMP with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50%. This will result in both the top and bottom step of the pay range being increased by approximately 4.50%.
Pensionable General Wage Increase (MEF)	Effective June 26, 2022, provide classifications assigned to MEF with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50%. This will result in both the top and bottom step of the pay range being increased by approximately 4.50%.
Pensionable General Wage Increase (OE#3)	Effective June 26, 2022, provide classifications assigned to OE#3 with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50%. This will result in both the top and bottom step of the pay range being increased by approximately 4.50%.
Pensionable General Wage Increase (SJPDA)	Effective June 26, 2022, provide classifications assigned to SJPDA with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50%. This will result in both the top and bottom step of the pay range being increased by approximately 4.50%.
Pensionable General Wage Increase (Unit 99 & Units 81/82)	Effective June 26, 2022, provide classifications assigned to Unit 99 and Units 81/82 with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50%. This will result in both the top and bottom step of the pay range being increased by approximately 4.50%.

CONCLUSION

It is recommended that City Council adopt the resolution that would, effective June 26, 2022, provide classifications assigned to AEA, ALP, AMSP, CAMP, MEF, OE#3, SJPDA, Unit 99, and Units 81/82 with an additional pensionable general wage increase of 1.50% based on the rates of pay in the City's Pay Plan as of June 25, 2022, for a total general wage increase of approximately 4.50% in Fiscal Year 2022-2023.

HONORABLE MAYOR AND CITY COUNCIL

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EVALUATION AND FOLLOW-UP

No additional follow up action with the City Council is expected at this time. .

CLIMATE SMART SAN JOSE

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

PUBLIC OUTREACH

This memorandum will be posted on the City's website in advance of the June 21, 2022, City Council meeting.

COORDINATION

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

COMMISSION RECOMMENDATION/INPUT

This agreement was not coordinated with any board or commission.

COST IMPLICATIONS

The increased cost of the additional 1.50% general wage increase based on the rates in the City's Pay Plan on June 25, 2022, for a total of a 4.50% general wage increase for AEA, ALP, AMSP, CAMP, MEF, OE#3, SJPDA, Unit 99, and Units 81/82 over the previously agreed to 3.00% is approximately \$7.3 million in all funds, of which \$3.5 million is in the General Fund. These increased costs will be offset by a decrease in the Salaries and Benefits Reserve within the General Fund, from individual Unrestricted Ending Fund Balances or alternative reserve offsets within Special Funds, and/or included in various project expenditure appropriations budgeted within Capital Funds, as appropriate. The recommended budget actions will be brought forward for City Council approval as part of a future budget process. The ongoing increased costs will be factored into the annual development of the 2023-2024 Base Budget.

HONORABLE MAYOR AND CITY COUNCIL

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CEQA

Not a Project, File No. PP17-010, City organizational and administrative activities resulting in no changes to the physical environment.



Jennifer Schembri
Director of Employee Relations
Director of Human Resources

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

Attachment A – AEA Agreement
Attachment B – ALP Agreement
Attachment C – AMSP Agreement
Attachment D – CAMP Agreement
Attachment E – MEF Agreement
Attachment F – OE#3 Agreement

**2022 AEA WAGE REOPENER NEGOTIATIONS
TENTATIVE AGREEMENT***

WAGES

Fiscal Year 2022-2023

Effective the first pay period in Fiscal Year 2022-2023, following union ratification and Council approval in open session, all salary ranges for employees holding positions in classifications assigned to MEF shall be increased by an additional approximate 1.50% based on the rate of pay as of June 25, 2022, for a total pensionable general wage increase of approximately 4.50% in Fiscal Year 2022-2023.

** This agreement is considered tentative and shall not be considered final or binding until ratified by the membership and approved by the City Council. This document sets forth the full agreements of the parties reached during these negotiations. Anything not included in the document is not part of the Tentative Agreement.*

FOR THE CITY:



5/26/22

Burke Dunphy Date
City Negotiator
Sloan Sakai Yeung & Wong, LLP



5/26/22

Elsa Cordova Date
Assistant to the City Manager



5/26/22

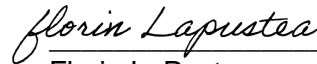
Cheryl Parkman Date
Assistant to the City Manager

FOR THE UNION:



05/26/2022

Elizabeth Kamya Date
Business Representative
IFPTE, Local 21



05/26/2022

Florin LaPustea Date
President
AEA, IFPTE, Local 21

**2022 ALP WAGE REOPENER NEGOTIATIONS
TENTATIVE AGREEMENT***

WAGES

Fiscal Year 2022-2023

Effective the first pay period in Fiscal Year 2022-2023, following union ratification and Council approval in open session, all salary ranges for employees holding positions in classifications assigned to ALP shall be increased by an additional approximate 1.50% based on the rate of pay as of June 25, 2022, for a total pensionable general wage increase of approximately 4.50% in Fiscal Year 2022-2023.

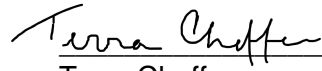
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FOR THE CITY:


FOR THE UNION:

 5/25/2022

Jennifer Schembri Date
Director of Human Resources
Director of Employee Relations

 5/25/22

Terra Chaffee Date
President, ALP

 5/25/2022

Carolyn Gibson Date
Senior Executive Analyst

**2022 AMSP WAGE REOPENER NEGOTIATIONS
TENTATIVE AGREEMENT***

WAGES

Fiscal Year 2022-2023


Effective the first pay period in Fiscal Year 2022-2023, following union ratification and Council approval in open session, all salary ranges for employees holding positions in classifications assigned to MEF shall be increased by an additional approximate 1.50% based on the rate of pay as of June 25, 2022, for a total pensionable general wage increase of approximately 4.50% in Fiscal Year 2022-2023.

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FOR THE CITY:



Burke Dunphy Date
City Negotiator
Sloan Sakai Yeung & Wong, LLP




Elsa Cordova Date
Assistant to the City Manager



Cheryl Parkman Date
Assistant to the City Manager

FOR THE UNION:



Elizabeth Kamya Date
Business Representative
IFPTE, Local 21



Jesse Perez Date
President
AMSP, IFPTE, Local 21

**2022 CAMP WAGE REOPENER NEGOTIATIONS
TENTATIVE AGREEMENT***


WAGES

Fiscal Year 2022-2023


Effective the first pay period in Fiscal Year 2022-2023, following union ratification and Council approval in open session, all salary ranges for employees holding positions in classifications assigned to MEF shall be increased by an additional approximate 1.50% based on the rate of pay as of June 25, 2022, for a total pensionable general wage increase of approximately 4.50% in Fiscal Year 2022-2023.

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FOR THE CITY:

 5/26/22

Burke Dunphy Date
City Negotiator
Sloan Sakai Yeung & Wong, LLP


 5/26/22

Elsa Cordova Date
Assistant to the City Manager

 5/26/22

Cheryl Parkman Date
Assistant to the City Manager

FOR THE UNION:

 5/26/2022

Elizabeth Kamya Date
Business Representative
IFPTE, Local 21

 5/26/2022

Julie Jennings Date
President
CAMP, IFPTE, Local 21

**2022 MEF WAGE REOPENER NEGOTIATIONS
TENTATIVE AGREEMENT***


WAGES

Fiscal Year 2022-2023


Effective the first pay period in Fiscal Year 2022-2023, following union ratification and Council approval in open session, all salary ranges for employees holding positions in classifications assigned to MEF shall be increased by an additional approximate 1.50% based on the rate of pay as of June 25, 2022, for a total pensionable general wage increase of approximately 4.50% in Fiscal Year 2022-2023.

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FOR THE CITY:


5/26/22

Burke Dunphy Date
City Negotiator
Sloan Sakai Yeung & Wong, LLP



5/26/2022

Elsa Cordova Date
Assistant to the City Manager

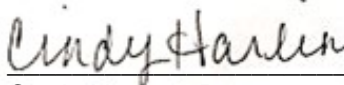

5/26/2022

Cheryl Parkman Date
Assistant to the City Manager

FOR THE UNION:


5/26/2022

John Tucker Date
Business Agent
AFSCME, Local 101


5/26/2022

Cindy Harlin Date
President
MEF, AFSCME, Local 101

**2022 OE#3 WAGE REOPENER NEGOTIATIONS
TENTATIVE AGREEMENT***

WAGES

Fiscal Year 2022-2023

Effective the first pay period in Fiscal Year 2022-2023, following union ratification and Council approval in open session, all salary ranges for employees holding positions in classifications assigned to OE#3 shall be increased by an additional approximate 1.50% based on the rate of pay as of June 25, 2022, for a total pensionable general wage increase of approximately 4.50% in Fiscal Year 2022-2023.

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FOR THE CITY:


 5/27/2022

Jennifer Schembri Date
Director of Employee Relations
Director of Human Resources

 5/27/2022

Elsa Cordova Date
Assistant to the City Manager
Office of Employee Relations

FOR THE UNION:

 5/27/2022

Jeremy Cabaccang Date
Business Agent, OE#3