



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jennifer Schembri

SUBJECT: SEE BELOW

DATE: June 23, 2022

Approved

Date

06/24/22

SUBJECT: TERMS OF SIDE LETTER AGREEMENTS BETWEEN THE CITY OF SAN JOSE AND THE ASSOCIATION OF ENGINEERS AND ARCHITECTS, IFPTE, LOCAL 21 (AEA), THE ASSOCIATION OF BUILDING, MECHANICAL AND ELECTRICAL INSPECTORS (ABMEI), AND THE CITY ASSOCIATION OF MANAGEMENT PERSONNEL, IFPTE, LOCAL 21 (CAMP); CHANGES TO EXECUTIVE MANAGEMENT AND PROFESSIONAL EMPLOYEES IN UNIT 99; AND AMENDING THE CITY OF SAN JOSÉ PAY PLAN

REASON FOR ADDENDUM

This item recommends providing a special pensionable pay increase to classifications in the Engineer, Architect, and Designer series as a result of an agreement between the City and the Association of Engineers and Architects, IFPTE, Local 21, (AEA) on June 17, 2022. These classifications perform engineering and project management work that is vital to the City, and some of these classifications have experienced significant recruitment and/or retention issues which this agreement may alleviate.

RECOMMENDATION

Adopt a resolution to:

- A. Approve the terms of a Side Letter Agreement with the Association of Engineers and Architects, IFPTE, Local 21 (AEA) to provide the following effective June 26, 2022:
 1. Provide employees in the Engineer II (3813) classification with an approximate 8.30% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties;
 2. Provide employees in the Sanitary Engineer FT/PT (5232/5231) classification with an approximate 8.30% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties;

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3. Provide employees in the Architect / Landscape Architect II (3852) classification with an approximate 8.30% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties;
 4. Provide employees in the Structure / Landscape Designer II (3842) classification with an approximate 8.30% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties;
 5. Provide employees in the Associate Engineer FT/PT (3814/3828) classification with an approximate 8.30% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties;
 6. Provide employees in the Associate Architect / Landscape Architect FT/PT (3848/3843) classification with an approximate 8.30% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties;
 7. Provide employees in the Associate Structure / Landscape Designer (3855) classification with an approximate 8.30% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties;
 8. Provide employees in the Engineering Geologist (3874) classification with an approximate 12.25% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties;
 9. Provide employees in the Senior Engineer (3815) classification with an approximate 3.80% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties; and
 10. Provide employees in the Senior Architect / Landscape Architect (3844) classification with an approximate 3.80% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties.
- B. Approve the terms of a Side Letter Agreement with the City Association of Management Personnel, IFPTE, Local 21 (CAMP) to provide the following effective June 26, 2022:
1. Increase the maximum salary of the following classifications by the corresponding percentage, which shall not result in any automatic pay increases for incumbents in these classifications:
 - i. The maximum salary of the Construction Manager (3774) classification shall be increased by an approximate 3.80%;
 - ii. The maximum salary of the Environmental Compliance Officer (8205) classification shall be increased by an approximate 9.05%;
 - iii. The maximum salary of the Associate Transportation Specialist (3882) classification shall be increased by an approximate 8.95%;
 - iv. The maximum salary of the Senior Transportation Specialist (3879) classification shall be increased by an approximate 3.30%;
 - v. The maximum salary of the Building Inspection Manager (3910) classification shall be increased by an approximate 5.25%; and

- vi. The maximum salary of the Land Surveyor (3875) classification shall be increased by an approximate 2.50%.
- C. Approve the terms of a Side Letter Agreement with the Association of Building, Mechanical and Electrical Inspectors (ABMEI) to provide the following effective June 26, 2022:
1. Provide employees in the Building Inspector Supervisor Certified I (3912) classification with an approximate 5.25% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties; and
 2. Provide employees in the Building Inspector Supervisor Certified II (3905) classification with an approximate 5.25% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties.
- D. Approve changes to Executive Management and Professional Employees in Unit 99 to provide the following effective June 26, 2022:
1. Provide employees in the Principal Engineer / Architect (3820) classification with an approximate 8.326611% pensionable pay increase
- E. Amend the City of San José Pay Plan as follows:
1. Increase the annual salary range of the classification of Engineer II (3813) to \$93,683.20 – \$118,601.60, effective June 26, 2022;
 2. Increase the annual salary range of the classification of Sanitary Engineer FT/PT (5232/5231) to \$93,683.20 – \$118,601.60, effective June 26, 2022;
 3. Increase the annual salary range of the classification of Architect / Landscape Architect II (3852) to \$93,683.20 – \$118,601.60, effective June 26, 2022;
 4. Increase the annual salary range of the classification of Structure / Landscape Designer II (3842) to \$93,683.20 – \$118,601.60, effective June 26, 2022;
 5. Increase the annual salary range of the classification of Associate Engineer FT/PT (3814/3828) to \$107,868.80 – \$136,572.80, effective June 26, 2022;
 6. Increase the annual salary range of the classification of Associate Architect / Landscape Architect FT/PT (3848/3843) to \$107,868.80 – \$136,572.80, effective June 26, 2022;
 7. Increase the annual salary range of the classification of Associate Structure / Landscape Designer (3855) to \$107,868.80 – \$136,572.80, effective June 26, 2022;
 8. Increase the annual salary range of the classification of Engineering Geologist (3874) to \$107,889.60 – \$136,572.80, effective June 26, 2022;
 9. Increase the annual salary range of the classification of Senior Engineer (3815) to \$124,259.20 – \$157,164.80, effective June 26, 2022;

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10. Increase the annual salary range of the classification of Senior Architect / Landscape Architect (3844) to \$124,259.20 – \$157,164.80, effective June 26, 2022;
11. Increase the annual salary range of the classification of Construction Manager (3774) to \$119,496.00 – \$151,070.40, effective June 26, 2022;
12. Increase the annual salary range of the classification of Environmental Compliance Officer (8205) to \$109,990.40 – \$150,217.60, effective June 26, 2022;
13. Increase the annual salary range of the classification of Associate Transportation Specialist (3882) to \$98,238.40 – \$130,457.60, effective June 26, 2022;
14. Increase the annual salary range of the classification of Senior Transportation Specialist (3879) to \$119,496.00 – \$150,342.40, effective June 26, 2022;
15. Increase the annual salary range of the classification of Building Inspection Manager (3910) to \$126,651.20 – \$162,344.00, effective June 26, 2022;
16. Increase the annual salary range of the classification of Land Surveyor (3875) to \$120,411.20 – \$150,321.60, effective June 26, 2022;
17. Increase the annual salary range of the classification of Building Inspector Supervisor Certified I (3912) to \$118,913.60 – \$144,851.20, effective June 26, 2022;
18. Increase the annual salary range of the classification of Building Inspector Supervisor Certified II (3905) to \$122,200.00 – \$148,865.60, effective June 26, 2022;
19. Increase the annual salary range of the classification of Principal Engineer / Architect (3820) to \$147,066.27 – \$178,822.49, effective June 26, 2022;
20. Increase the annual salary range of the classification of Division Manager (8074) to \$112,792.89 – \$178,822.49, effective June 26, 2022;
21. Increase the annual salary range of the classification of Deputy Director U (1640) to \$127,732.57 – \$206,529.38, effective June 26, 2022;
22. Increase the annual salary range of the classification of Assistant Director U (8048) to \$146,282.03 – \$236,682.64, effective June 26, 2022;
23. Increase the annual salary range of the classification of Director, Communication U (1671) to \$152,398.92 – \$246,886.38, effective June 26, 2022;
24. Increase the annual salary ranges of the following classifications to \$167,337.53 – \$271,483.31, effective June 26, 2022:
 - a. Budget Director U (1656)
 - b. City Librarian U (6245)
 - c. Director, Aviation U (3546)
 - d. Director, City Manager's Office U (1701)
 - e. Director, Community Energy U (3460)
 - f. Director, Economic Development U (1999)
 - g. Director, Emergency Management U (2341)
 - h. Director, Employee Relations U (1430)
 - i. Director, Environmental Services U (1696)
 - j. Director, Finance U (1258)
 - k. Director, Housing U (3989)
 - l. Director, Human Resources U (1429)

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- m. Director, Information Technology U (1375)
 - n. Director, Parks, Recreation & Neighborhood Services U (3996)
 - o. Director, Planning, Building & Code Enforcement U (4154)
 - p. Director, Public Works U (3867)
 - q. Director, Transportation U (3199)
25. Increase the annual salary range of the classification of Deputy City Manager U (1686) to \$191,592.85 – \$309,856.57, effective June 26, 2022; and
26. Increase the annual salary range of the classification of Assistant City Manager U (1688) to \$210,409.93 – \$340,842.23, effective June 26, 2022.

OUTCOME

Adoption of the resolution will approve a Side Letter Agreement between the City and AEA to allow for a pensionable pay increase for the Engineer II (3813), Sanitary Engineer FT/PT (5232/5231), Architect / Landscape Architect II (3852), Structure / Landscape Designer II (3842), Associate Engineer FT/PT (3814/3828), Associate Architect / Landscape Architect FT/PT (3848/3843), Associate Structure / Landscape Designer (3855), Engineering Geologist (3874), Senior Engineer (3815), and Senior Architect / Landscape Architect (3844) classifications.

Adoption of the resolution will approve a Side Letter Agreement between the City and ABMEI to allow for a pensionable pay increase for the Building Inspector Supervisor Certified I (3912) and Building Inspector Supervisor Certified II (3905) classifications.

Adoption of the resolution will approve a Side Letter Agreement between the City and CAMP to only increase the maximum salary ranges in the City of San Jose Pay Plan, without providing any automatic pensionable wage increases for incumbents in the following classifications: Construction Manager (3774), Environmental Compliance Officer (8205), Associate Transportation Specialist (3882), Senior Transportation Specialist (3879), Building Inspection Manager (3910), and Land Surveyor (3875).

Adoption of this resolution will approve a pensionable pay increase for the Principal Engineer / Architect (3820) classification. Additionally, this will approve an increase the maximum salary ranges by approximately 3.80% in the City of San Jose Pay Plan, without providing any automatic pensionable wage increases for incumbents in the following classifications: Division Manager (8074); Deputy Director U (1640); Assistant Director U (8048); Director, Communication U (1671); Budget Director U (1656); City Librarian U (6245); Director, Aviation U (3546); Director, City Manager's Office U (1701); Director, Community Energy U (3460); Director, Economic Development U (1999); Director, Emergency Management U (2341); Director, Employee Relations U (1430); Director, Environmental Services U (1696); Director, Finance U (1258); Director, Housing U (3989); Director, Human Resources U (1429);

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Director, Information Technology U (1375); Director, Parks, Recreation & Neighborhood Services U (3996); Director, Planning, Building & Code Enforcement U (4154); Director, Public Works U (3867); Director, Transportation U (3199); Deputy City Manager U (1686); and Assistant City Manager U (1688) classifications.

The City of San José'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 and recommendation. These increases to the salary ranges are not inclusive of any general wage increase received by AEA, CAMP, ABMEI, or Unit 99 for Fiscal Year 2022-2023.

BACKGROUND

As part of an overall tentative agreement on a successor Memorandum of Agreement (MOA), the City and AEA signed a Side Letter Agreement where the parties agreed that the City would conduct a classification review for the Engineer, Architect, and Designer series, dated June 28, 2021 (Attachment A). This classification review was completed by a third-party vendor in April 2022 and found that some classifications in the Engineer and Architect series were below 100% of the City's marketplace. Following the completion of the study by the third-party vendor, the City reviewed the classifications represented by AEA for recruitment and retention issues and also reviewed the compaction and/or differential between the classifications affected.

On June 17, 2022, the City and AEA agreed to the salary adjustments provided in the table below (Attachment B). Additionally, the City and AEA agreed that upon request of the union the parties will meet to discuss the list of comparator agencies that the City uses when conducting salary surveys. These discussions are expected to conclude prior to the AEA MOA's expiration on June 30, 2023, and would be effective July 1, 2023, with the beginning of the successor MOA. Further, the parties agreed that a separate Wastewater Senior Engineer classification in the Environmental Services Department (ESD) will be created within six (6) months following City Council approval of this agreement in open session, as AEA acknowledges that the Wastewater Senior Engineers in ESD perform work that differs from that of other Senior Engineers. In reviewing comparator classifications and establishing compensation for the Wastewater Senior Engineer classification, the City will include California agencies which provide wastewater treatment services.

Classification	Pensionable Increase
Engineer II (3813)	8.30%
Sanitary Engineer FT/PT (5232/5231)	8.30%
Architect / Landscape Architect II (3852)	8.30%
Structure / Landscape Designer II (3842)	8.30%
Associate Engineer FT/PT (3814/3828)	8.30%

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Associate Architect / Landscape Architect FT/PT (3848/3843)	8.30%
Associate Structure / Landscape Designer (3855)	8.30%
Engineering Geologist (3874)	12.25%
Senior Engineer (3815)	3.80%
Senior Architect / Landscape Architect (3844)	3.80%

Classification	Current Pensionable Salary Range (Annual)	New Pensionable Salary Range Effective June 26, 2022 (Annual)
Engineer II (3813)	\$86,507.20 – \$109,512.00	\$93,683.20 – \$118,601.60
Sanitary Engineer FT/PT (5232/5231)	\$86,507.20 – \$109,512.00	\$93,683.20 – \$118,601.60
Architect / Landscape Architect II (3852)	\$86,507.20 – \$109,512.00	\$93,683.20 – \$118,601.60
Structure / Landscape Designer II (3842)	\$86,507.20 – \$109,512.00	\$93,683.20 – \$118,601.60
Associate Engineer FT/PT (3814/3828)	\$99,611.20 – \$126,110.40	\$107,868.80 – \$136,572.80
Associate Architect / Landscape Architect FT/PT (3848/3843)	\$99,611.20 – \$126,110.40	\$107,868.80 – \$136,572.80
Associate Structure / Landscape Designer (3855)	\$99,611.20 – \$126,110.40	\$107,868.80 – \$136,572.80
Engineering Geologist (3874)	\$96,116.80 – \$121,659.20	\$107,889.60 – \$136,572.80
Senior Engineer (3815)	\$119,704.00 – \$151,403.20	\$124,259.20 – \$157,164.80
Senior Architect / Landscape Architect (3844)	\$119,704.00 – \$151,403.20	\$124,259.20 – \$157,164.80

As stated, above, these rates of pay are not inclusive of any general wage increase received by AEA-represented employees for Fiscal Year 2022-2023. In addition to the pensionable rates of pay set forth above, per Article 10.1 of the AEA MOAs for Units 41/42 and for Unit 43, incumbents in the classifications listed above currently receive a 5.00% ongoing non-pensionable compensation increase.

Without additional adjustments, the special wage adjustments for the AEA-represented classifications listed above would cause salary compaction throughout the City, meaning that lower level classifications within the organization would receive a rate of pay that is nearly as much, or in some cases more than, the next higher classification which often exercises supervisory functions over the lower level classification. To correct this and to continue to incentivize advancement through the organization through promotions, the City:

- Agreed to a Side Letter Agreement with ABMEI to provide a special wage adjustment as shown in the tables below (Attachment C).

Classification	Pensionable Increase
Building Inspector Supervisor Certified I (3912)	5.25%
Building Inspector Supervisor Certified II (3905)	5.25%

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Classification	Current Pensionable Salary Range (Annual)	New Pensionable Salary Range Effective June 26, 2022 (Annual)
Building Inspector Supervisor Certified I (3912)	\$112,985.60 – \$137,633.60	\$118,913.60 – \$144,851.20
Building Inspector Supervisor Certified II (3905)	\$116,105.60 – \$141,440.00	\$122,200.00 – \$148,865.60

As stated, above, these rates of pay are not inclusive of any general wage increase received by ABMEI-represented employees for Fiscal Year 2022-2023. In addition to the pensionable rates of pay set forth above, per Article 5.1.1 of the ABMEI MOA, incumbents in the classifications listed above currently receive a 5.00% ongoing non-pensionable compensation increase.

- Agreed to a Side Letter Agreement with CAMP to increase the top of the salary range of the following classifications, without providing any automatic pay increases to incumbents, as shown in the table below (Attachment D).

Classification	Current Pensionable Salary Range (Annual)	New Pensionable Salary Range Effective June 26, 2022 (Annual)
Construction Manager (3774)	\$119,496.00 – \$145,537.60	\$119,496.00 – \$151,070.40
Environmental Compliance Officer (8205)	\$109,990.40 – \$137,758.40	\$109,990.40 – \$150,217.60
Associate Transportation Specialist (3882)	\$98,238.40 – \$119,745.60	\$98,238.40 – \$130,457.60
Senior Transportation Specialist (3879)	\$119,496.00 – \$145,537.60	\$119,496.00 – \$150,342.40
Building Inspection Manager (3910)	\$126,651.20 – \$154,252.80	\$126,651.20 – \$162,344.00
Land Surveyor (3875)	\$120,411.20 – \$146,660.80	\$120,411.20 – \$150,321.60

As stated, above, these rates of pay are not inclusive of any general wage increase received by CAMP-represented employees for Fiscal Year 2022-2023. In addition to the pensionable rates of pay set forth above, per Article 10.1 of the CAMP MOA, incumbents in the classifications listed above currently receive a 5.00% ongoing non-pensionable compensation increase. As noted above, none of the incumbents in the above classifications will receive an automatic pay increase. This action just increases the top of the salary range.

- Recommends a special wage adjustment to the following Executive Management and Professional Employees in classification designated to Unit 99 as shown in the tables below.

Classification	Pensionable Increase
Principal Engineer / Architect (3820)	8.326611%

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Classification	Current Pensionable Salary Range (Annual)	New Pensionable Salary Range Effective June 26, 2022 (Annual)
Principal Engineer / Architect (3820)	\$135,761.90 – \$165,077.16	\$147,066.27 – \$178,822.49

As stated, above, this rate of pay is not inclusive of any general wage increase received by employees assigned to Unit 99 for Fiscal Year 2022-2023. In addition to the pensionable rate of pay set forth above, per the Unit 99 compensation summary, incumbents in the classification listed above currently receive a 5.00% ongoing non-pensionable compensation increase.

- Recommends an amendment to the City of San Jose Pay Plan to increase to the top of the range of the following Executive Management and Professional Employees in classifications designated to Unit 99 by approximately 3.80%, without providing any automatic pensionable pay increases to incumbents in the following classifications in the tables below.

Classification	Current Pensionable Salary Range (Annual)	New Pensionable Salary Range Effective June 26, 2022 (Annual)
Division Manager (8074)	\$112,792.89 – \$172,276.01	\$112,792.89 – \$178,822.49
Deputy Director U (1640)	\$127,732.57 – \$198,968.57	\$127,732.57 – \$206,529.38
Assistant Director U (8048)	\$146,282.03 – \$228,017.96	\$146,282.03 – \$236,682.64
Director, Communication U (1671)	\$152,398.92 – \$237,848.15	\$152,398.92 – \$246,886.38
Budget Director U (1656)	\$167,337.53 – \$261,544.61	\$167,337.53 – \$271,483.31
City Librarian U (6245)	\$167,337.53 – \$261,544.61	\$167,337.53 – \$271,483.31
Director, Aviation U (3546)	\$167,337.53 – \$261,544.61	\$167,337.53 – \$271,483.31
Director, City Manager's Office U (1701)	\$167,337.53 – \$261,544.61	\$167,337.53 – \$271,483.31
Director, Community Energy U (3460)	\$167,337.53 – \$261,544.61	\$167,337.53 – \$271,483.31
Director, Economic Development U (1999)	\$167,337.53 – \$261,544.61	\$167,337.53 – \$271,483.31
Director, Emergency Management U (2341)	\$167,337.53 – \$261,544.61	\$167,337.53 – \$271,483.31
Director, Employee Relations U (1430)	\$167,337.53 – \$261,544.61	\$167,337.53 – \$271,483.31
Director, Environmental Services U (1696)	\$167,337.53 – \$261,544.61	\$167,337.53 – \$271,483.31
Director, Finance U (1258)	\$167,337.53 – \$261,544.61	\$167,337.53 – \$271,483.31
Director, Housing U (3989)	\$167,337.53 – \$261,544.61	\$167,337.53 – \$271,483.31
Director, Human Resources U (1429)	\$167,337.53 – \$261,544.61	\$167,337.53 – \$271,483.31
Director, Information Technology U (1375)	\$167,337.53 – \$261,544.61	\$167,337.53 – \$271,483.31
Director, Parks, Recreation & Neighborhood Services U (3996)	\$167,337.53 – \$261,544.612	\$167,337.53 – \$271,483.31
Director, Planning, Building & Code Enforcement U (4154)	\$167,337.53 – \$261,544.612	\$167,337.53 – \$271,483.31

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Director, Public Works U (3867)	\$167,337.53 – \$261,544.612	\$167,337.53 – \$271,483.31
Director, Transportation U (3199)	\$167,337.53 – \$261,544.612	\$167,337.53 – \$271,483.31
Deputy City Manager U (1686)	\$191,592.85 – \$298,513.074	\$191,592.85 – \$309,856.57
Assistant City Manager U (1688)	\$210,409.93 – \$328,364.39	\$210,409.93 – \$340,842.23

As stated, above, these rates of pay are not inclusive of any general wage increase received by employees assigned to Unit 99 for Fiscal Year 2022-2023. In addition to the pensionable rates of pay set forth above, per the Unit 99 compensation summary, incumbents in the classifications listed above currently receive a 5.00% ongoing non-pensionable compensation increase. As noted above, none of the incumbents in the above classifications will receive an automatic pay increase. This action just increases the top of the salary range.

ANALYSIS

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

Engineer II (3813) Classification	Effective June 26, 2022, employees in the Engineer II (3813) Classification will receive a pensionable base pay increase of approximately 8.30%. This will result in both the top and bottom step of the pay range being increased by approximately 8.30%.
Sanitary Engineer FT/PT (5232/5231) Classification	Effective June 26, 2022, employees in the Sanitary Engineer FT/PT (5232/5231) Classification will receive a pensionable base pay increase of approximately 8.30%. This will result in both the top and bottom step of the pay range being increased by approximately 8.30%.
Architect/Landscape Architect II (3852) Classification	Effective June 26, 2022, employees in the Architect/Landscape Architect II (3852) Classification will receive a pensionable base pay increase of approximately 8.30%. This will result in both the top and bottom step of the pay range being increased by approximately 8.30%.
Structure/Landscape Designer II (3842) Classification	Effective June 26, 2022, employees in the Structure/Landscape Designer II (3842) Classification will receive a pensionable base pay increase of approximately 8.30%. This will result in both the top and bottom step of the pay range being increased by approximately 8.30%.
Associate Engineer FT/PT (3814/3828) Classification	Effective June 26, 2022, employees in the Associate Engineer FT/PT (3814/3828) Classification will receive a pensionable base pay increase of approximately 8.30%. This will result in both the top and bottom step of the pay range being increased by approximately 8.30%.

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Associate Architect / Landscape Architect FT/PT (3848/3843) Classification	Effective June 26, 2022, employees in the Associate Architect/Landscape Architect FT/PT (3848/3843) Classification will receive a pensionable base pay increase of approximately 8.30%. This will result in both the top and bottom step of the pay range being increased by approximately 8.30%.
Associate Structure / Landscape Designer (3855) Classification	Effective June 26, 2022, employees in the Associate Structure/Landscape Designer (3855) Classification will receive a pensionable base pay increase of approximately 8.30%. This will result in both the top and bottom step of the pay range being increased by approximately 8.30%.
Engineering Geologist (3874) Classification	Effective June 26, 2022, the Engineering Geologist (3874) Classification will receive a pensionable base pay increase so that the top of its salary range will match the maximum salary of the Associate Engineer classification. This will result in both the top and bottom step of the pay range being increased to equal the Associate Engineer classification, which is approximately 12.25%.
Senior Engineer (3815) Classification	Effective June 26, 2022, employees in the Senior Engineer (3815) Classification will receive a pensionable base pay increase of approximately 3.80%. This will result in both the top and bottom step of the pay range being increased by approximately 3.80%.
Senior Architect/Landscape Architect (3844) Classification	Effective June 26, 2022, employees in the Senior Architect/Landscape Architect (3844) Classification will receive a pensionable base pay increase of approximately 3.80%. This will result in both the top and bottom step of the pay range being increased by approximately 3.80%.
Principal Engineer/Architect (3820) Classification	Effective June 26, 2022, the Principal Engineer/Architect (3820) Classification will receive a pensionable base pay increase of approximately 8.326611%. This will result in both the top and bottom step of the pay range being increased by approximately 8.326611%.
Building Inspector Supervisor Certified I (3912) Classification	Effective June 26, 2022, employees in the Building Inspector Supervisor Certified I (3912) Classification will receive a pensionable base pay increase of approximately 5.25%. This will result in both the top and bottom step of the pay range being increased by approximately 5.25%.
Building Inspector Supervisor Certified II (3905) Classification	Effective June 26, 2022, employees in the Building Inspector Supervisor Certified II (3905) Classification will receive a pensionable base pay increase of approximately 5.25%. This will result in both the top and bottom step of the pay range being increased by approximately 5.25%.

June 23, 2022

Subject: Terms of Side Letter Agreements Between the City of San José and the Association of Engineers and Architects, IFPTE, Local 21 (AEA), the Association of Building, Mechanical and Electrical Inspectors (ABMEI), and the City Association of Management Personnel, IFPTE, Local 21 (CAMP); Changes to Executive Management and Professional Employees in Unit 99; and Amending the Pay Plan

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Construction Manager (3774) Classification	Effective June 26, 2022, increase the top of the salary range of the Construction Manager (3774) Classification by approximately 3.80%. This will not result in any automatic pay increases for incumbents in this classification.
Environmental Compliance Officer (8205) Classification	Effective June 26, 2022, increase the top of the salary range of the Environmental Compliance Officer (8205) Classification by approximately 9.05%. This will not result in any automatic pay increases for incumbents in this classification.
Associate Transportation Specialist (3882) Classification	Effective June 26, 2022, increase the top of the salary range of the Associate Transportation Specialist (3882) Classification by approximately 8.95%. This will not result in any automatic pay increases for incumbents in this classification.
Senior Transportation Specialist (3879) Classification	Effective June 26, 2022, increase the top of the salary range of the Senior Transportation Specialist (3879) Classification by approximately 3.30%. This will not result in any automatic pay increases for incumbents in this classification.
Building Inspection Manager (3910) Classification	Effective June 26, 2022, increase the top of the salary range of the Building Inspection Manager (3910) Classification by approximately 5.25%. This will not result in any automatic pay increases for incumbents in this classification.
Building Management Administrator (3228) Classification	Effective June 26, 2022, increase the top of the salary range of the Building Management Administrator (3228) Classification by approximately 3.75%. This will not result in any automatic pay increases for incumbents in this classification.
Land Surveyor (3875) Classification	Effective June 26, 2022, increase the top of the salary range of the Land Surveyor (3875) Classification by approximately 2.50%. This will not result in any automatic pay increases for incumbents in this classification.
Division Manager (8074) Classification	Effective June 26, 2022, increase the top of the salary range of the Division Manager (8074) Classification by approximately 3.80%. This will not result in any automatic pay increases for incumbents in this classification.
Deputy Director U (1640) Classification	Effective June 26, 2022, increase the top of the salary range of the Deputy Director U (1640) Classification by approximately 3.80%. This will not result in any automatic pay increases for incumbents in this classification.
Assistant Director U (8048) Classification	Effective June 26, 2022, increase the top of the salary range of the Assistant Director U (8048) Classification by approximately 3.80%. This will not result in any automatic pay increases for incumbents in this classification.

June 23, 2022

Subject: Terms of Side Letter Agreements Between the City of San José and the Association of Engineers and Architects, IFPTE, Local 21 (AEA), the Association of Building, Mechanical and Electrical Inspectors (ABMEI), and the City Association of Management Personnel, IFPTE, Local 21 (CAMP); Changes to Executive Management and Professional Employees in Unit 99; and Amending the Pay Plan

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Specific Director Classifications	<p>Effective June 26, 2022, increase the top of the salary range of the classifications listed below by approximately 3.80%. This will not result in any automatic pay increases for incumbents in this classification.</p> <ul style="list-style-type: none"> • Director, Communication U (1671) • Budget Director U (1656) • City Librarian U (6245) • Director, Aviation U (3546) • Director, City Manager's Office U (1701) • Director, Community Energy U (3460) • Director, Economic Development U (1999) • Director, Emergency Management U (2341) • Director, Employee Relations U (1430) • Director, Environmental Services U (1696) • Director, Finance U (1258) • Director, Housing U (3989) • Director, Human Resources U (1429) • Director, Information Technology U (1375) • Director, Parks, Recreation & Neighborhood Services U (3996) • Director, Planning, Building & Code Enforcement U (4154) • Director, Public Works U (3867) • Director, Transportation U (3199)
Deputy City Manager U (1686) Classification	<p>Effective June 26, 2022, increase the top of the salary range of the Deputy City Manager U (1686) Classification by approximately 3.80%. This will not result in any automatic pay increases for incumbents in this classification.</p>
Assistant City Manager U (1688) Classification	<p>Effective June 26, 2022, increase the top of the salary range of the Assistant City Manager U (1688) Classification by approximately 3.80%. This will not result in any automatic pay increases for incumbents in this classification.</p>

CONCLUSION

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 Engineer II (3813), Sanitary Engineer FT/PT (5232/5231), Architect / Landscape Architect II (3852), Structure / Landscape Designer II (3842), Associate Engineer FT/PT (3814/3828), Associate Architect / Landscape Architect FT/PT (3848/3843), Associate Structure / Landscape Designer

June 23, 2022

Subject: Terms of Side Letter Agreements Between the City of San José and the Association of Engineers and Architects, IFPTE, Local 21 (AEA), the Association of Building, Mechanical and Electrical Inspectors (ABMEI), and the City Association of Management Personnel, IFPTE, Local 21 (CAMP); Changes to Executive Management and Professional Employees in Unit 99; and Amending the Pay Plan

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(3855), Engineering Geologist (3874), Senior Engineer (3815), and Senior Architect / Landscape Architect (3844) classifications, as indicated above;

- Provide a pensionable base pay increase to the Building Inspector Supervisor Certified I (3912), Building Inspector Supervisor Certified II (3905), and Principal Engineer / Architect (3820) classifications to address salary compaction issues created by the adjustments to the AEA-represented classifications, above;
- Amend the City of San Jose Pay Plan to increase the top of the salary range, without providing any automatic pensionable pay increases to incumbents, of the following classifications, Construction Manager (3774), Environmental Compliance Officer (8205), Associate Transportation Specialist (3882), Senior Transportation Specialist (3879), Building Inspection Manager (3910), Land Surveyor (3875), Division Manager (8074), Deputy Director U (1640), Assistant Director U (8048), Director, Communication U (1671), Budget Director U (1656), City Librarian U (6245), Director, Aviation U (3546), Director, City Manager's Office U (1701), Director, Community Energy U (3460), Director, Economic Development U (1999), Director, Emergency Management U (2341), Director, Employee Relations U (1430), Director, Environmental Services U (1696), Director, Finance U (1258), Director, Housing U (3989), Director, Human Resources U (1429), Director, Information Technology U (1375), Director, Parks, Recreation & Neighborhood Services U (3996), Director, Planning, Building & Code Enforcement U (4154), Director, Public Works U (3867), Director, Transportation U (3199), Deputy City Manager U (1686), and Assistant City Manager U (1688) classifications to address salary compaction issues created by the adjustments to the AEA-represented classifications, above; and
- Make corresponding amendments to the City of San José Pay Plan to change the salary ranges for the classifications in accordance with the Side Letter Agreements and recommendations, above.

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.

HONORABLE MAYOR AND CITY COUNCIL

June 23, 2022

Subject: Terms of Side Letter Agreements Between the City of San José and the Association of Engineers and Architects, IFPTE, Local 21 (AEA), the Association of Building, Mechanical and Electrical Inspectors (ABMEI), and the City Association of Management Personnel, IFPTE, Local 21 (CAMP); Changes to Executive Management and Professional Employees in Unit 99; and Amending the Pay Plan

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PUBLIC OUTREACH

This memorandum has been posted on the City Clerk's website as part of the June 28, 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.

COST SUMMARY/IMPLICATIONS

The estimated range of the additional ongoing costs associated with the recommendations included in this memorandum is between \$4.1 million – \$5.9 million in all funds, of which approximately \$175,000 – \$185,000 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 ongoing increases will be factored into any future rate increases for the impacted utility funds and development fee program funds and will be included as part the annual development of the 2023-2024 Base Budget.

HONORABLE MAYOR AND CITY COUNCIL

June 23, 2022

Subject: Terms of Side Letter Agreements Between the City of San José and the Association of Engineers and Architects, IFPTE, Local 21 (AEA), the Association of Building, Mechanical and Electrical Inspectors (ABMEI), and the City Association of Management Personnel, IFPTE, Local 21 (CAMP); Changes to Executive Management and Professional Employees in Unit 99; and Amending the Pay Plan

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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 author of this memorandum was 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.

Attachment A – Side Letter Agreement titled Classification Review – Engineer, Architect, and Designer Series, dated June 28, 2021

Attachment B – Side Letter Agreement titled Special Wage Adjustments Based on Classification Review, dated June 17, 2022

Attachment C – Side Letter Agreement titled Special Wage Adjustment – Building Inspector Supervisor Certified I/II, dated June 15, 2022

Attachment D – Side Letter Agreement titled Salary Range Adjustments Due to Salary Compaction, dated June 17, 2022

SIDE LETTER AGREEMENT

BETWEEN
 THE CITY OF SAN JOSE
 AND
 THE ASSOCIATION OF ENGINEERS AND ARCHITECTS (AEA), IFPTE, LOCAL 21

Classification Review – Engineer, Architect, and Designer Series

The City and the Association of Engineers and Architects (AEA) agree that the City will conduct a classification review for the Engineer, Architect, and Designer series.

Following this review, the City agrees to meet and confer with AEA over the results of this review, including classification changes and/or wage adjustments recommended as a result of the study. This shall not be construed as an agreement to change anything related to classification structure and applicable benefits for classifications represented by AEA.

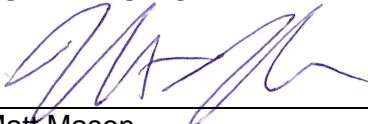
This Agreement is considered part of the tentative agreement for a successor MOA between the parties. This Agreement shall become effective only as part of the overall tentative agreement for a successor MOA, when signed by all parties below, ratified by AEA, and approved by the City Council. The goal of the parties is to complete this classification review within nine (9) months of a successor MOA being ratified by AEA and approved by the City Council in open session.

FOR THE CITY:

 6/28/2021

 Jennifer Schembri Date
 Director of Employee Relations
 Director of Human Resources

FOR THE UNION:

 6/28/2021

 Matt Mason Date
 Business Representative
 IFPTE, Local 21

SIDE LETTER AGREEMENT

BETWEEN
THE CITY OF SAN JOSE
AND
THE ASSOCIATION OF ENGINEERS AND ARCHITECTS, IFPTE, LOCAL 21 (AEA)

SPECIAL WAGE ADJUSTMENTS BASED ON CLASSIFICATION REVIEW

On June 28, 2021, the City and the Association of Engineers and Architects, IFPTE, Local 21 (AEA) agreed that the City would conduct a classification review for the Engineer, Architect, and Designer series. This review has been concluded.

Based on this review and to address any compaction issues, the parties agree that effective the first full pay period after this agreement is signed by all parties below and approved by the City Council in open session, employees in the classifications listed below shall receive the following pensionable wage increases:

Classification	Pensionable Increase
Engineer II	8.30%
Sanitary Engineer	8.30%
Architect/Landscape Architect II	8.30%
Structure/Landscape Designer II	8.30%
Associate Engineer	8.30%
Associate Architect/Landscape Architect	8.30%
Associate Structure/Landscape Designer	8.30%
Engineering Geologist	12.25%
Senior Engineer	3.80%
Senior Architect/Landscape Architect	3.80%

This will result in an increase to the top and bottom of the salary range of employees in the classifications noted above.

The City will analyze the consolidation of the Architect and Designer series and, if appropriate after the review, the parties agree and understand that these two classification series will be consolidated into one.

The parties agree that upon request of the union, the parties will meet to discuss the list of comparator agencies that the City uses when conducting salary surveys. These discussions should be concluded prior to the AEA contract expiring on June 30, 2023, and any agreement on this issue would be effective July 1, 2023, with the beginning of the successor MOA.

Further, the parties agree that a separate Wastewater Senior Engineer classification in the Environmental Services Department will be created within 6 months following the effective date of this agreement. The Union is requesting this review because they acknowledge that the Wastewater Senior Engineers in the Environmental Services

Side Letter – Special Wage Adjustments Based on Classification Review

June 17, 2022

Page 2 of 2

Department are performing work that differs from work performed by other Senior Engineers and should be treated differently. In reviewing comparators and establishing compensation for the Wastewater Senior Engineer classification, the City will include California agencies which provide wastewater treatment services.


This agreement shall conclude the parties' obligations under the side letter agreement dated June 28, 2021, and shall become effective on the first full pay period after this agreement has been signed by all parties below and approved by the City Council in open session.

FOR THE CITY:

 6/17/2022

Jennifer Schembri Date
Director of Human Resources
Director of Employee Relations

FOR THE UNION:

 6/17/2022

Lizzy Kamya Date
Business Representative, IFPTE

SIDE LETTER AGREEMENT

BETWEEN
THE CITY OF SAN JOSE
AND
THE ASSOCIATION OF BUILDING, MECHANICAL AND ELECTRICAL INSPECTORS
(ABMEI)

SPECIAL WAGE ADJUSTMENT – BUILDING INSPECTOR SUPERVISOR CERTIFIED I/II


Effective the first full pay period after this agreement is signed by all parties below and approved by the City Council in open session, employees in the classifications listed below shall receive the following pensionable wage increases to correct salary compaction:

Classification	Pensionable Increase
Building Inspector Supervisor Certified I (3912)	5.25%
Building Inspector Supervisor Certified II (3905)	5.25%

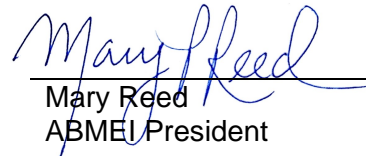
This will result in an increase to the top and bottom of the salary range of employees in the classifications noted above.

This agreement shall become effective on the first full pay period after this agreement has been signed by all parties below and approved by the City Council in open session.

FOR THE CITY:**FOR THE UNION:**

 6/15/2022

 Jennifer Schembri Date
 Director of Human Resources
 Director of Employee Relations

 6/15/2022

 Mary Reed Date
 ABMEI President

SIDE LETTER AGREEMENT

BETWEEN
THE CITY OF SAN JOSE
AND
THE CITY ASSOCIATION OF MANAGEMENT PERSONNEL, IFPTE, LOCAL 21 (CAMP)

SALARY RANGE ADJUSTMENTS DUE TO SALARY COMPACTION

Effective the first full pay period after this agreement is signed by all parties below and approved by the City Council in open session, the classifications listed below shall have the top of their salary ranges increased by the corresponding amount to correct salary compaction:

Classification	Pensionable Increase
Construction Manager	3.80%
Environmental Compliance Officer	9.05%
Associate Transportation Specialist	8.95%
Senior Transportation Specialist	3.30%
Building Inspection Manager	5.25%
Land Surveyor	2.50%

This will result in an increase to the top of the salary range of the classifications noted above, and this action will not result in any automatic pay increases for incumbents in these classifications.


This agreement shall become effective on the first full pay period after this agreement has been signed by all parties below and approved by the City Council in open session.

FOR THE CITY:

 6/17/2022

Jennifer Schembri Date
Director of Human Resources
Director of Employee Relations

FOR THE UNION:

 6/17/2022

Lizzy Kamya Date
Business Representative, IFPTE