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 THE CITY ASSOCIATION OF MANAGEMENT PERSONNEL, IFPTE, LOCAL 21 (CAMP), EFFECTIVE SEPTEMBER 4, 2022, TO INCREASE THE PAY, AMEND THE PAY PLAN, INCREASE THE HIRING INCENTIVE FOR THE ANIMAL SHELTER VETERINARIAN CLASSIFICATIONS, EXPAND THE HIRING INCENTIVE TO THE NON-MEDICAL DIVISION MANAGER POSITION IN ANIMAL CARE SERVICES, AND APPROVE A RETENTION BONUS FOR DIVISION MANAGERS OVERSEEING ANIMAL CARE AND SERVICES

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

1. Approve the terms of a Side Letter Agreement with the City Association of Management Personnel, IFPTE, Local 21 (CAMP) to provide the following effective September 4, 2022:

    a. Provide employees in the Animal Shelter Veterinarian FT (3255) classification with an approximate 12.36% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties;

    b. Provide employees in the Animal Shelter Veterinarian PT (3256) classification with an approximate 4.50% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties; and

    c. Increase the hiring incentive for new hires in the Animal Shelter Veterinarian FT (3255) classification to be paid consistent with the Side Letter.

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

    a. Increase the annual salary range of the classification of Animal Shelter Veterinarian FT (3255) to $139,235.20 – $169,624.00, effective September 4, 2022; and

    b. Increase the annual salary range of the classification Animal Shelter Veterinarian PT (3256) to $122,491.20 – $169,624.00, effective September 4, 2022.

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3. Approve an increase to the hiring incentive for new hires in the Division Manager classification in Animal Care and Services effective for employees hired into this position between September 4, 2022, through June 30, 2024.

4. Approve expansion of the hiring incentive to include the non-medical Division Manager position in Animal Care and Services.

5. Approve a retention bonus for the Division Manager classification in Animal Care and Services effective for employees hired into this position prior to September 4, 2022.

6. The terms of the Side Letter Agreements are set forth in the Memorandum to the Mayor and City Council dated August 18, 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

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ATTACHMENT A

MEMORANDUM TO THE MAYOR AND CITY COUNCIL

COUNCIL AGENDA: 08/23/2022
FILE:
ITEM:

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Jennifer Schembri

SUBJECT: SEE BELOW

DATE: August 18, 2022

Approved Date

SUBJECT: TERMS OF A SIDE LETTER AGREEMENT BETWEEN THE CITY OF SAN JOSE AND THE CITY ASSOCIATION OF MANAGEMENT PERSONNEL, AMENDING THE PAY PLAN, AND INCREASING THE HIRING INCENTIVE FOR THE DIVISION MANAGER OVERSEEING THE VETERINARIANS, EXPANDING THE HIRING INCENTIVE TO THE NON-MEDICAL DIVISION MANAGER POSITION IN ANIMAL CARE AND SERVICES, AND ESTABLISHING A RETENTION BONUS FOR DIVISION MANAGERS OVERSEEING ANIMAL CARE AND SERVICES

RECOMMENDATION

Adopt a resolution to:

A. Approve the terms of a Side Letter Agreement with the City Association of Management Personnel, IFPTE, Local 21 (CAMP) to provide the following effective September 4, 2022:

   1. Provide employees in the Animal Shelter Veterinarian FT (3255) classification with an approximate 12.36% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties;
   2. Provide employees in the Animal Shelter Veterinarian PT (3256) classification with an approximate 4.50% pensionable pay increase consistent with the Side Letter Agreement that has been signed by all parties; and
   3. Increase the hiring incentive for new hires in the Animal Shelter Veterinarian FT (3255) classification to be paid consistent with the Side Letter.

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

   1. Increase the annual salary range of the classification of Animal Shelter Veterinarian FT (3255) to $139,235.20 – $169,624.00, effective September 4, 2022; and
   2. Increase the annual salary range of the classification Animal Shelter Veterinarian PT (3256) to $122,491.20 – $169,624.00, effective September 4, 2022.

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C. Approve an increase to the hiring incentive for new hires in the Division Manager classification in Animal Care and Services effective for employees hired between September 4, 2022, through June 30, 2024.
D. Approve expansion of the hiring incentive to include the non-medical Division Manager position in Animal Care and Services.
E. Approve a retention bonus for the Division Manager classification in Animal Care and Services effective for employees hired into this position prior to September 4, 2022.

OUTCOME

Adoption of the resolution will 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)	12.36%
Animal Shelter Veterinarian PT (3256)	4.50%

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 Agreement.

Additionally, adoption of the resolution will approve a Side Letter Agreement between the City and CAMP to allow for an increase in the Hiring Incentive Pilot Program (hiring incentive) for new hires in the Animal Shelter Veterinarian (FT) classification, effective September 4, 2022. The increase shall provide newly hired Animal Shelter Veterinarian (FT) with a one-time, non-pensionable lump sum payment of $20,000. The hiring incentive shall be structured such that employees who receive the hiring incentive would be required to forfeit and/or refund the hiring incentive to the City should the employee leave City service, transfer to another position within the City, or transition to the part-time Animal Shelter Veterinarian classification before their one (1) year anniversary of passing probation in the Animal Shelter Veterinarian (FT) classification. This hiring incentive will also apply to new hires in the Division Manager classification in Animal Care and Services effective for employees hired into this position between September 4, 2022, through June 30, 2024. Eligible employees hired prior to September 4, 2022 will not be eligible for the increased hiring incentive.

Adoption of this resolution will also approve a retention bonus for the Division Manager classification in Animal Care and Services effective for employees hired into this position prior to September 4, 2022.

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BACKGROUND

Animal Shelter Veterinarian (FT/PT)

There are currently 2.0 Citywide budgeted Animal Shelter Veterinarian (FT) FTEs, both of which are assigned to the Department of Public Works. Incumbents in the Animal Shelter Veterinarian FT classification are responsible for all medical treatments performed at the City of San José Animal Care Center. In addition, there are two new Division Manager positions in Animal Care and Services that were recently created. One of the Division Manager positions provides management oversight and control over the shelter and dispatcher/field operations. The other Division Manager position oversees medical services and acts as the lead veterinarian.

This staffing model at the Animal Care Center is reliant on many part-time unbenefited Animal Shelter Veterinarians to provide supplemental coverage in addition to the two full-time Animal Shelter Veterinarians. Because the Department has recently found it difficult to attract part-time Animal Shelter Veterinarians, it was expected that there would be similar difficulty in attracting candidates in the full-time classification. In or around November 2021, the City conducted a salary survey of comparable classifications in agencies in the City's marketplace that operate an animal shelter. On February 8, 2022, the Council approved a 25.00% special pensionable wage adjustment to Animal Shelter Veterinarian FT classification and a 18.22% special pensionable wage adjustment for the Animal Shelter Veterinarian PT classification. In addition, on June 7, 2022, the Council approved a hiring incentive, which resulted in a $5,000 hiring incentive for the Animal Shelter Veterinarian FT classification.

Despite these actions, both Animal Shelter Veterinarian FT positions are currently vacant, and recruitments are underway with no qualified candidates. The Animal Shelter Veterinarian FT vacancies have created challenges in the City's ability to provide services to residents.

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 August 15, 2022, the parties reached a side letter agreement to provide special wage adjustments to the Animal Shelter Veterinarian FT/PT classifications, as follows (Attachment A):

Classification	Pensionable Increase
Animal Shelter Veterinarian FT (3255)	12.36%
Animal Shelter Veterinarian PT (3256)	4.50%

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Classification	Current Pensionable Salary Range (Annual)	New Pensionable Salary Range (Annual)
Animal Shelter Veterinarian FT (3255)	$123,926.40 – $150,966.40	$139,235.20 – $169,624.00
Animal Shelter Veterinarian PT (3256)	$117,208.00 – $162,323.20	$122,491.20 – $169.624.00

As the Animal Shelter Veterinarian (FT/PT) classifications are represented by CAMP, they will continue to receive 5% ongoing, non-pensionable compensation based on their pensionable rate of pay per Article 10.1 of the CAMP MOA.

Hiring Incentive

The proposed increase to the hiring incentive is intended to provide a more substantial, immediate monetary incentive to potential candidates for the City's Animal Shelter Veterinarian FT recruitments and the Division Manager positions in Animal Care and Services if these positions need to be recruited for again in the future.

On August 15, 2022, the City and CAMP reached a side letter agreement to increase the one-time, non-pensionable lump sum payment hiring incentive for new Animal Shelter Veterinarian FT hires, as follows (Attachment A). The hiring incentive approved by the Council on June 7, 2022, for the Animal Shelter Veterinarian FT classification also applied to the Division Manager overseeing the Veterinarian Program in Animal Care and Services. To maintain consistency, the City is recommending an increase to the hiring incentive for new hires in the Division Manager overseeing the Veterinarian Program and expanding this hiring incentive to the non-medical Division Manager that oversees the dispatcher and field operations in Animal Care and Services for employees hired into this position between September 4, 2022, through June 30, 2024. As the Division Manager classification is assigned to Unit 99, there are no meet and confer obligations over the incentive.

Animal Shelter Veterinarian FT (3255) Division Managers in Animal Care and Services Hired Between September 4, 2022 – June 30, 2024	
Timing	**Hiring Incentive**
Upon Hire	$5,000
Upon 6-Months Worked	$7,500
Upon 12-Months Worked	$7,500

Per the agreement between the City and CAMP, the City may end this program prior to June 30, 2024, at its sole discretion upon notification to CAMP. Similarly, the City maintains the right to end this hiring incentive for Division Managers in Animal Care and Services prior to June 30, 2024.

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Retention Bonus for the Division Managers in Animal Care and Services

To maintain consistency with the maximum amount allowable for the Animal Shelter Veterinarian FT classification under the Hiring Incentive Pilot Program, the City is recommending the creation of a retention bonus for the Division Manager classification in Animal Care and Services for employees hired into this position prior to September 4, 2022.

Division Manager in Animal Care and Services	
Timing	**Retention Bonus**
Upon 6-Months Worked	$7,500
Upon 12-Months Worked	$7,500

The total value and structure of this retention bonus when combined with the hiring incentive for new hires into the Division Manager position overseeing the Veterinarian Program in Animal Care and Services prior to September 4, 2022, is equivalent to the $20,000 hiring incentive that shall be available to new hires of either Division Manager position on or after September 4, 2022 and through June 30, 2024.

ANALYSIS

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

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 12.36%. 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 4.50%. 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.
Increase to Hiring Incentive for Animal Shelter Veterinarians and Expansion to Division Managers	Employees hired into the Animal Shelter Veterinarian FT classification after September 4, 2022, shall be eligible to receive a $20,000 hiring incentive through the Hiring Incentive Pilot Program, as outlined below. The payment of the one-time, non-pensionable lump sum hiring incentive to new hires in the Animal Shelter Veterinarian FT

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in Animal Care and Services	classification is contingent on the employee being continuously employed in the Animal Shelter Veterinarian FT classification through their one (1) year anniversary of passing probation as an Animal Shelter Veterinarian FT. If an employee receives any portion or all of the one-time, non-pensionable lump sum hiring incentive, and leaves City service, transfers to another position within the City, or transitions to the part-time Animal Shelter Veterinarian classification before their one (1) year anniversary of passing probation in the Animal Shelter Veterinarian FT classification, the employee forfeits the entirety of the one-time, non-pensionable lump sum hiring incentive and, to the extent permitted by law, will be required to reimburse the City for the entire amount of the hiring incentive they have received. The employee may sign an agreement to deduct the bonus amount from their final paycheck of wages, subject to applicable laws. In the absence of such agreement, the City shall deduct the hiring incentive amount from the employee's sick leave payout, if applicable, and the employee's vacation leave payout. If the employee's leave amounts are not adequate to cover the entire amount of the hiring incentive, the City shall pursue reimbursement of the bonus through any other lawful means, including the collection process. This increase to the hiring incentive will also apply to Division Managers in Animal Care and Services for employees hired between September 4, 2022, through June 30, 2024.

Additionally, approval of this memorandum will provide for the following:

Creation of Retention Bonus for Divisions Managers in Animal Care and Services	Employees hired into a Division Manager position within Animal Care and Services prior to September 4, 2022, shall be eligible to receive a $15,000 retention bonus, as outlined below. The payment of the one-time, non-pensionable lump sum retention bonus for Division Managers in Animal Care and Services hired prior to September 4, 2022, is contingent on the employee being continuously employed in the Division Manager classification through their one (1) year anniversary of passing probation as a Division Manager. If an employee receives any portion or all of the one-time, non-pensionable lump sum hiring incentive, and leaves City service, transfers to another position within the City, the employee forfeits the

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	entirety of the one-time, non-pensionable lump sum hiring incentive and, to the extent permitted by law, will be required to reimburse the City for the entire amount of the hiring incentive they have received. The employee may sign an agreement to deduct the bonus amount from their final paycheck of wages, subject to applicable laws. In the absence of such agreement, the City shall deduct the hiring incentive amount from the employee's sick leave payout, if applicable, and the employee's vacation leave payout. If the employee's leave amounts are not adequate to cover the entire amount of the hiring incentive, the City shall pursue reimbursement of the retention bonus through any other lawful means, including the collection process.

CONCLUSION

Due to the recruitment and retention issues in the classifications, it is recommended that the City Council adopt the Administration's recommendation outlined in this memorandum.

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 August 23, 2022, City Council Meeting Agenda.

COORDINATION

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

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COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

COST SUMMARY/IMPLICATIONS

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 $63,000 in the General Fund. With City Council approval of the recommended actions, these increased costs will be adjusted, as necessary, for 2022-2023 as part of a future budget process and will be factored into the development of the 2023-2024 Base Budget.

As discussed above, the increase to the hiring incentive would provide a one-time, non-pensionable lump sum hiring incentive of $20,000 for a new Animal Shelter Veterinarian FT and a Division Manager in Animal Care and Services hired between September 4, 2022, through June 30, 2024. As the increase would apply to two Animal Shelter Veterinarians positions that are currently vacant, it is anticipated that the cost would be $30,000 over what was authorized by the Council on June 7, 2022. The retention bonus would provide a one-time, non-pensionable lump sum retention bonus of $15,000 for any incumbent Division Manager in Animal Care and Services hired prior to September 4, 2022. As there are two such positions, the anticipated total cost for the retention bonus would be $30,000. It is anticipated that the Public Works Department will absorb, to the extent possible, the potential costs of the pilot program within its existing budget.

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 Julianne Miyashiro, 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.

Attachment A – CAMP Side Letter

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