



## Agenda Report

19-755

Agenda Date: 6/25/2019

### REPORT TO COUNCIL

#### SUBJECT

Action on Approval of (1) the 2018-2021 Memorandum of Understanding Between the City of Santa Clara and the Unclassified Police Management Association Unit 9A, and (2) a Resolution to Approve and Adopt the Associated Salary Schedule and Unclassified/Elected Salary Plan

#### BACKGROUND

The City of Santa Clara's collective bargaining agreement with the Unclassified Police Management Association Unit 9A (Unit 9A) expired on December 22, 2018. This bargaining group currently represents approximately 5 full-time equivalent positions and includes the employee job classifications of Assistant Police Chief and Police Captain.

On May 22, 2019, the City and Unit 9A reached an overall Tentative Agreement on the terms to be contained in the successor Memorandum of Understanding (MOU) between the City and Unit 9A. Unit 9A held a vote that concluded on May 30, 2019, resulting in Unit 9A ratifying the attached agreement.

#### DISCUSSION

The recommended action is approval of the MOU. If approved, the terms of the MOU will be in effect from December 23, 2018 through and including December 25, 2021.

The significant provisions of the new MOU are as follows:

##### Term

December 23, 2018 through December 25, 2021

##### Compensation Adjustments

Year 1 - Salaries will be increased by the same percentage as applied to the Santa Clara Police Officers Association (Unit 2), which is a 5.00% wage increase retroactive to December 23, 2018, for all persons still employed on the date the City Council approves the 2018-2021 MOU (scheduled for Council action on June 25, 2019).

Year 2 - For the December 2019-2020 MOU year, salaries will be increased by the same percentage as applied to Unit 2.

Year 3 - For the December 2020-2021 MOU year, salaries will be increased by the same percentage as applied to Unit 2.

Effective December 23, 2019 (with the first paycheck issued in January 2020), the City shall contribute per member to the City's Voluntary Employee's Benefit Association (VEBA), an additional \$50 per month, for a total of \$100 per month.

Effective beginning with the first full pay period following Council approval of this MOU, (pay period beginning June 30, 2019) for employees employed on the date the City Council approves the MOU, the City shall contribute \$150 per month to the City's Section 457 deferred compensation plan on behalf of each represented employee.

#### Medical

Modify the language of the health insurance section to ensure compliance with the Affordable Care Act. The amount designated as "Kaiser employee only" will continue as the mandatory health allocation and the amount provided as cash in lieu for those that submit an attestation confirming other group health coverage.

#### Sick Leave

Increase the number of sick leave hours within one calendar year that shall be granted to any employee for the care or attendance upon members of his/her immediate family from forty-eight (48) hours to fifty-six (56) hours.

#### Uniform Allowance

The City shall contribute \$23.08 bi-weekly as a uniform allowance beginning after twelve (12) continuous months of employment.

#### Stadium Detail

Effective beginning with the first full pay period (June 20, 2019) following Council approval of this MOU, Police Management employees will be paid at 1.5 times the Step 7 Lieutenant salary rate for hours performing Stadium Detail special event work outside an employee's regular schedule.

#### Salary Adjustment Form

The Salary Adjustment Form shall be eliminated.

A further recommended action is approval of the attached Resolution, which contains two salary schedules consistent with the terms of the subject MOU. First, a salary schedule with an effective date of December 23, 2018, reflecting the two affected positions of Captain and Assistant Chief. Second, an updated Unclassified/Elected Salary Plan with an approved date of June 25, 2019, which incorporates the Unit 9A compensation into the format approved by CalPERS (which was last before Council on June 4, 2019).

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a government organizational or administrative activity that will not result in direct or indirect changes in the environment.

**FISCAL IMPACT**

The City regularly budgets in its fiscal forecast the total compensation cost for its current Full-Time Employees and integrates projected cost increases from Council-approved MOUs in the City's Ten-Year General Fund Financial Forecast. The costs of the MOU are within budget authority approved by the City Council through the negotiation process. Salary increases for FY 2019/20 and FY 2020/21 were factored into the Proposed Biennial Operating Budget released on April 30, 2019. Some elements of the MOU that are proposed to be funded by one-time sources (Budget Stabilization Reserve) are included in the actions considered for the June 25, 2019 approval of the FY 2019/20 and FY 2020/21 Adopted Operating Budget. All cost elements of this MOU will also be included in future updates of the Ten-Year General Fund Financial Forecast.

The additional cost of the MOU for FY 2018/19 is approximately \$90,000. Sufficient Police Department vacancy savings are available to absorb the cost impact of the MOU in FY 2018/19.

The fiscal impact of the other elements of this MOU are difficult to determine, are estimated to be modest, and will also be considered in future updates to the Ten-Year General Fund Forecast.

**COORDINATION**

This report has been coordinated with the City Attorney's Office and the Finance Department.

**PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

**RECOMMENDATION**

1. Approve and authorize the City Manager to execute the Memorandum of Understanding between the City of Santa Clara and Unclassified Police Management Association Unit 9A 2018-2021, with effective dates of December 23, 2018 to December 25, 2021.
2. Adopt a Resolution to approve and adopt the Salary Schedule for Unclassified Police Management Association Unit 9A, effective December 23, 2018, and the updated Unclassified/Elected Salary Plan with an approved date of June 25, 2019.

Reviewed by: Teresia Zadroga-Haase, Director of Human Resources

Approved by: Deanna J. Santana, City Manager

**ATTACHMENTS**

1. MOU Unclassified Police Management Association (Unit 9A) 2018-2021 - redline version
2. MOU Unclassified Police Management Association (Unit 9A) 2018-2021 - final
3. Resolution of the City of Santa Clara, California to Approve and Adopt the Salary Schedule for Santa Clara Police Officers Association (Unit 9A) and the Updated Unclassified/Elected Salary Plan