



City Council Staff Report

From: City Manager

Report Type: CONSENT CALENDAR

Lead Department: Human Resources

Meeting Date: August 14, 2023

Report #:2307-1735

TITLE

Adoption of Memorandum of Agreement with Service Employees International Union Hourly Unit and Compensation Plan for Unrepresented Limited Hourly Employees, effective upon adoption through June 30, 2025; and Adoption of revised Management and Professional Salary Schedule to add one new classification effective July 1, 2023; CEQA Status - Not a project

RECOMMENDATION

Staff recommends:

1. Council adopt the updated Salary Schedule and Compensation Plan for unrepresented Limited hourly employees, effective through June 30, 2025 (Attachment A and B);
2. Council adopt an updated Salary Schedule and Memorandum of Agreement for Service Employees International Union Hourly Unit, effective through June 30, 2025 (Attachment C and D); and
3. Adopt revised Management and Professional Salary Schedule to add one new classification, effective July 1, 2023 (Attachment E).

BACKGROUND

Represented hourly employees covered by SEIU is a group of approximately 125 hourly employees who generally work under 1000 hours in a fiscal year and excludes seasonal work. Unrepresented limited hourly employees work less than 416 hours per fiscal year and depending on the season, there are approximately 115 limited hourly employees. These employees are found primarily in the Library and Community Services Departments. Classifications range include Library Clerk, Arts and Science Professional, Administrative Specialist, Recreation Leader, Open Space Technician, and General Laborer.

Both the current Memorandum of Agreement for SEIU-Hourly and the Compensation Plan for

Limited Hourlies expired June 30, 2023. The new MOA and Compensation Plan will continue for two years through June 30, 2025.

ANALYSIS

It is consistent with the City's practice and ongoing labor strategy to keep classifications with the same title and general nature of work and assignments compensated at similar, if not identical, hourly rates. Therefore, the staff recommendations for the changes in wages and benefits for SEIU-Hourly and limited hourly employees are as follows:

- General Wage:
 - 4% effective the first full pay period following adoption by City Council
 - 4% effective the first full pay period including July 1, 2024
- Targeted classification wage adjustments as outlined in the MOA and the Salary Schedules attached: Equivalent to 2% for SEIU-H and 0.5% for Limited Hourlies
- 1 Floating Holiday: based on prorated hours scheduled to work
- For SEIU-H only, Medical Stipend: Increased the first full pay period following adoption to \$3.64 per hour worked (4.5% increase), July 1, 2024 increase to \$3.80 per hour worked (4.5% increase)

This Council memorandum is being brought concurrent to the SEIU-H ratification of the attached MOA (Attachment A). If the MOA is not ratified by the union membership, staff will revise this memorandum prior to Council adoption.

Management & Professional Salary Schedule Revision:

Staff recommends adopting the revised Management and Professional salary schedule to add the following new classification: Code Enforcement Supervisor (Attachment E), which was previously adopted by Council on December 19, 2022 (ID#15004)¹, revised on April 17, 2023 and on June 12, 2023.

The Code Enforcement Supervisor is a new classification approved in the Planning Department FY24 Budget. The California Public Employees Retirement System ((CalPERS) requires City Council to publicly approve the salaries for all positions.

FISCAL/RESOURCE IMPACT

Approval of the staff recommendations outlined in this report will result in cumulative costs of approximately \$650,000 in the General Fund (\$1.0 million in all funds) for the SEIU Hourly agreement and the Limited Hourly Compensation Plan. The terms extend approximately two years through June 2025 and include \$435,000 in the General Fund (\$630,000 all funds) for the SEIU Hourly group and \$215,000 in the General Fund (\$340,000 all funds) for the Limited Hourly

¹ City Council December 19, 2022, Item #7, Staff Report 15004,
<https://portal.laserfiche.com/Portal/DocView.aspx?id=59178&repo=r-704298fc>

group. The cumulative ongoing annual costs at the end of the term are estimated at \$410,000 in the General Fund and \$615,000 in all funds.

The FY 2024 Adopted Budget does not include funding for the new labor terms with SEIU Hourly and Limited Hourly groups. However, staff expects sufficient balances in appropriated funds due to continued vacancies or use of reserves, including fund balance. Salary expenses will be monitored throughout FY 2024 citywide and appropriate adjustments will be recommended, if necessary, to align appropriated expenses with projected costs. Effective in FY 2025, staff will include these compensation adjustments in the budget development process.

Approval of the revised salary schedule for the Management and Professional group does not require budgetary action. The FY 2024 Adopted Budget added 1.00 Code Enforcement Supervisor in the Planning and Development Services Department using an estimated salary to calculate costs. No adjustments are needed based on the revised salary schedule.

STAKEHOLDER ENGAGEMENT

City staff will post the SEIU - Hourly Unit Memoranda of Agreement, the Limited Hourly Compensation Plan and salary schedules on the City's website after Council adoption for public access. Human Resources will communicate the changed to the terms of this agreement and Compensation Plan to highlight in job postings to attract new talent and fill hourly position vacancies.

ENVIRONMENTAL REVIEW

This is not considered a project under environmental standards.

ATTACHMENTS

Attachment A: SEIU Hourly MOA 2023 - 2025

Attachment B: SEIU Hourly Salary Schedule 2023 - 2025

Attachment C: Limited Hourly Compensation Plan 2023 - 2025

Attachment D: Limited Hourly Salary Schedule 2023 - 2025

Attachment E: Management and Professional Salary Schedule

APPROVED BY:

Sandra Blanch, Human Resources Director