

## **RESOLUTION 2020-090**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO: A) AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE SIDE LETTERS/ MODIFICATIONS TO VARIOUS MEMORANDA OF UNDERSTANDING, TERMS OF EMPLOYMENT AND SCHEDULE OF BENEFITS FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021 FOR THE FOLLOWING GROUPS: ASSOCIATION OF INTERMEDIATE EMPLOYEES, SAN PABLO POLICE EMPLOYEES ASSOCIATION, SAN PABLO POLICE EMPLOYEES ASSOCIATION (MANAGEMENT UNIT), DIVISION MANAGERS, CONFIDENTIAL EMPLOYEES, EXECUTIVE MANAGEMENT, B) APPROVING A REVISED SALARY SCHEDULE FOR OPERATING ENGINEERS LOCAL NO. 3 EFFECTIVE JULY 1, 2020; AND C) APPROVING A REVISED SALARY SCHEDULE FOR THE ASSOCIATION OF INTERMEDIATE EMPLOYEES EFFECTIVE JULY 1, 2020**

WHEREAS, the current Labor Agreements between the City of San Pablo and the various represented, and unrepresented groups have Memoranda of Understanding (MOU's), Terms of Employment or Schedule of Benefits in effect July 1, 2017 – June 30, 2021;

WHEREAS, as a result of the COVID-19 pandemic, shelter-in-place orders, social distancing requirements, temporary closure of Casino San Pablo and the resulting economic impacts, the City has a projected a catastrophic loss of City revenue in Fiscal Years (FY) 2019/20 and 2020/21;

WHEREAS, consistent with the reduced budget allocation for salaries and benefits authorized in the amended quadrennial budget that was adopted on June 15, 2020, the City and Associations have agreed to reopen their 2017-2021 MOU's in order to make agreed upon, temporary reductions in labor costs as part of a multipronged approach to close a projected \$10M budget gap for FY 2020/21;

WHEREAS, the represented units include the Association of Intermediate employees (AIE), San Pablo Police Employees' Association, San Pablo Police Employees Association- Management Unit, and Operating Engineers Local Union No. 3, AFL-CIO; and to this end, labor discussions commenced in May 2020 and have concluded as of June 2020;

WHEREAS, the Schedule of Benefits/Terms of Employment for those groups that are unrepresented (Executive Management, Division Managers, and Confidential) are also in effect for the same four-year term and generally coincide with the represented MOU's;

WHEREAS, the major amendments included in the various labor MOU Side Letters are summarized in the table below, with the Salary Schedule for Fiscal Year 2019/20 otherwise remaining in effect:

Unit	COLA Freeze FY2020/21 only	PERS % increase FY2020/21 only	Step Freeze FY2020/21 only	Other FY2020/21 only	Totals
SPPEA & SPPEA Management Units	\$315,162	2% \$221,383	NONE	Police Officer Vacancies (\$209,000; \$175,000; \$175,000)  Uniform compensation change (\$54,455)  No layoffs 7/1/20- 6/30/21	<b>AGREEMENT REACHED AND RATIFIED BY UNION</b>  \$1,150,000
AIE	\$35,537 (0.5% COLA rather than 2.5%)	NONE	\$64,212	4 (or 5) Furlough days (depending on work schedule) in specified weeks \$33,299  No layoffs 7/1/20- 6/30/21	<b>AGREEMENT REACHED AND RATIFIED BY UNION</b>  \$133,048
OE3				<b>STILL IN DISCUSSION</b>  Freeze 2 vacant positions (\$85,000; \$90,000)  <b>1 POTENTIAL layoff (\$85,356)</b>	\$296,356

WHEREAS, the major amendments to the Terms of Employment for the Confidential, Division Manager, Executive Management are summarized in the table below:

<b>Unit</b>	<b>COLA Freeze FY2020/21 only</b>	<b>PERS % increase FY2020/21 only</b>	<b>Step Freeze FY2020/21 only</b>	<b>Other FY2020/21 only</b>	<b>Totals</b>
<b>Confidential</b>	\$19,901	2% \$13,694	\$7,620	Vacant HR Tech \$100,000	\$141,215
<b>Division Manager</b>	\$35,119	3% \$33,601	NONE	Vacant Maint. & Ops Supt \$85,000	\$153,720
<b>Executive Management</b>	\$37,962	4% \$56,161	NONE	NONE	\$94,122

WHEREAS, if balancing the budget in FY2019/20 ultimately does not require all of the available Budget Stabilization Reserve (BSR) funds, labor cost reductions will be restored to employees. The funds available for restoration of the labor cost reductions would be proportionate to the share of the overall labor budget represented by each unit and would go into effect no earlier than January 2021, pending audited closure of the FY2019/20 fiscal year financial statements and the Salary Schedules modified accordingly;

WHEREAS, at this point, the City and OE3 aim to reach conceptual agreement on labor concessions by the end of the next scheduled meeting on July 8, 2020; if agreement is reached, the concessions will be brought to the City Council at their July 20, 2020 regular meeting for approval. If the City and OE3 do not reach agreement, the City will proceed with the layoff of one position in order to achieve the necessary cost savings to meet the FY 2020/21 City GF Budget Adoption requirements pursuant to Resolution No. 2020-074.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of San Pablo that the foregoing recitations are true and correct and are included herein by reference as findings.

BE IT FURTHER RESOLVED that the City Council of the City of San Pablo authorizes the City Manager or his designee to execute amendments to the Memoranda of Understanding via Side Letters with the following represented employee organizations: San Pablo Police Employees Association; San Pablo Police Employees Association-Management Unit; and the Association of Intermediate Employees; as reflected in Exhibits 1, 2 and 3 attached to this Resolution and which are incorporated herein.

BE IT FURTHER RESOLVED that the City Council of the City of San Pablo authorizes revisions to the Compensation and Terms of Employment/Schedule of Benefits for the Confidential Employees, Division Manager Employees and Executive Management Group as described in this Resolution as reflected in Exhibits 4, 5, and 6 to this Resolution and which are incorporated herein.

BE IT FURTHER RESOLVED that the City Council of the City of San Pablo approves a Salary Schedule for Operating Engineers Local No. 3, effective July 1, 2020.

BE IT FURTHER RESOLVED that the City Council of the City of San Pablo approves a Salary Schedule for the Association of Intermediate Employees, effective July 1, 2020

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ADOPTED this 6th day of July, 2020, by the following vote:

AYES:	COUNCILMEMBERS:	Kinney, Pineda, Xavier, Pabon-Alvarado and Cruz
NOES:	COUNCILMEMBERS:	None
ABSENT:	COUNCILMEMBERS:	None
ABSTAIN:	COUNCILMEMBERS:	None
ATTEST:		APPROVED:

/s/ LaTanya Fisher  
LaTanya Fisher, Acting Deputy City Clerk

/s/ Arturo M. Cruz  
Arturo M. Cruz, Mayor