

June 17, 2021

John Tucker
1150 N First Street #101
San Jose, CA 95112

Matt Mason
4 N. Second Street, Suite 430
San Jose, CA 95113

RE: Coalition Negotiations with IFPTE and MEF on Successor MOAs

Dear Matt and John:

AEA, AMSP, CAMP (IFPTE) and MEF have been in coalition negotiations with the City on a successor Memorandum of Agreement (MOA) since March 17, 2021. During these negotiations IFPTE and MEF have proposed a significant number of proposals, many of which have substantial cost implications associated with them. While both IFPTE and MEF have dropped some of these proposals, many still remain on the table. As such, during the negotiation process, the City has taken into consideration and tried to balance the costs associated with providing package proposals that include a pensionable general wage increase and some of the economic items that IFPTE and MEF have proposed. It is important to note that the City is looking at the total compensation of each package and that everything that is contained in each package is coming from one "pool" of money. For example, if we were to agree to a premium pay or training pay that affected just one classification, that would be provided from the same money that could have been used for an economic item, such as a pensionable general wage increase, for the entire bargaining unit.

However, the City has heard and appreciates the recent concerns raised by various employees represented by IFPTE and MEF related to the importance of receiving a pensionable general wage increase that is equivalent to 3.0%. The City is amenable to including a 3.0% pensionable general wage increase as part of an overall agreement with IFPTE and MEF, and this is reflected in the enclosed proposals. In doing so, the City has reviewed all economic items that were previously included in prior package proposals as the cost of providing a 3.0% pensionable general wage increase must be balanced with the costs associated with other economic items.

We have also heard the concerns related to the recruitment and retention of City employees. The City has been and remains committed to addressing specific classifications where there are recruitment and retention issues, both as part of these negotiations and as they arise outside of negotiations. In the enclosed packages, there are a number of proposed Side Letter Agreements for various classifications including, Recreation Supervisor, Engineers, Architects and Designers, Youth Outreach Workers, Code Enforcement Inspectors, and Hazardous Material Inspectors where we are proposing to conduct classification/compensation reviews. Following a study of these classifications, the City will meet and confer over the results, including any recommended changes to individual job specifications and/or salary ranges, as appropriate.

We have also heard concern about the recent agreement with the POA. We believe there are some misunderstandings surrounding this agreement. First, it is a two-year agreement, covering this current Fiscal Year and next. Both IFPTE and MEF have agreements already covering this Fiscal Year and had previously agreed to a 3% pensionable general wage increase. However, it should be noted that the POA agreed to only 6 months of an increase for this current Fiscal Year, most of which was in the form of a one-time non-pensionable lump sum (this was the \$2,000 in the agreement, and is not on top of the wage increase), whereas IFPTE and MEF received their previously agreed to pensionable wage increase for the entirety of Fiscal Year 2020-2021. There are also items in the POA agreement that provide tangible on-going savings for the City, such as the civilianization agreement, some of which is in the budget for next Fiscal Year, to help address the shortfall. All of this should be taken into account when looking at the total compensation package of the POA agreement.

In addition, we wanted to share with you data that we have collected regarding the wage increases that are being provided within our marketplace of local agencies. It was important for us to determine whether the wage increases we are offering are out of line with other agencies. As you can see in the enclosure, that is not the case and what we are offering for next Fiscal Year is more than the average wage increase provided by comparable jurisdictions.

The City remains hopeful that we can reach an agreement with IFPTE and MEF soon, and in time for any wage increases to be effective by June 27, 2021. It should be noted that for a wage increase to be effective on June 27, 2021, the last possible Council meeting for which this could be approved would be June 29, 2021, and we would need to have a tentative agreement reached as soon as possible. As the City previously indicated, and as is clear in our proposals, we are not agreeable to retroactivity of any wage increase.

Sincerely,



Jennifer Schembri
Director of Employee Relations
Director of Human Resources

c: Dave Sykes, City Manager
Jennifer Maguire, Assistant City Manager
MEF Negotiation Team
IFPTE Negotiation Team

Enclosures

**Negotiated General Wage Increases
2021-2023**

Agency	Union	2021-2022	2022-2023
Alameda County	SEIU 1021	3.25%	3.25%
Berkeley	SEIU 1021	-	-
Concord	Teamsters 856	-	-
Contra Costa County	AFSCME 2700	3%	-
Daly City	AFSCME 829	3%	-
Fremont	CFEA	0	-
Hayward	SEIU 1021	-	-
Oakland	SEIU	-	-
San Francisco	SEIU 1021	3.5%	-
San Mateo County	SEIU 521	-	-
Santa Clara	SCEA 1021	0	0
Santa Clara County	SEIU 521	3%	3%
Sunnyvale	SEA	3%	-
Average of known increases		2.34%	2.08%

A “-“ denotes that a contract is not yet negotiated or not publicly available as of June 17, 2021.

**2021 MEF NEGOTIATIONS
PACKAGE PROPOSAL E**

TERM

- July 1, 2021 – June 30, 2023

WAGES

- Fiscal Year 2021-2022

In recognition of work performed during the COVID-19 pandemic, a \$1,000 one-time, non-pensionable lump sum payment shall be made to full-time employees holding positions in classifications assigned to MEF effective the first full pay period in Fiscal Year 2021-2022 following union ratification and Council approval in open session. To receive the one-time, non-pensionable lump sum payment, a full-time employee must have been employed in an MEF represented position on May 11, 2021, and still be employed in an MEF represented position effective the first full pay period in Fiscal Year 2021-2022 following union ratification and Council approval in open session.

In recognition of work performed during the COVID-19 pandemic, a one-time, non-pensionable lump sum payment shall be made to part-time MEF represented employees as follows:

Benefit Level	Amount of One-Time Non-Pensionable Lump Sum Payment
30.00 – 34.00 Hour Benefit Level	\$750
25.00 – 29.00 Hour Benefit Level	\$625
20.00 – 24.00 Hour Benefit Level	\$500
Part-Time Unbenefited Employees	\$250

To receive the one-time, non-pensionable lump sum payment, a part-time employee must have been employed in an MEF represented position on May 11, 2021, and still be employed in an MEF represented position effective the first full pay period in Fiscal Year 2021-2022 following union ratification and Council approval in open session. In addition, a part-time unbenefited employee must have worked at least 520 hours from May 3, 2020, through May 1, 2021, and must still be employed in an MEF represented position effective the first full pay period in Fiscal Year 2021-2022 following union ratification and Council approval in open session.

3.00% general wage increase effective the first full pay period in Fiscal Year 2021-2022 following union ratification and Council approval in open session. Effective the first full pay period in Fiscal Year 2021-2022 following union ratification and Council approval in open session, all salary ranges for employees holding positions in classifications assigned to MEF shall be increased by approximately 3.00%.

- Fiscal Year 2022-2023

3.00% general wage increase effective the first full pay period of Fiscal Year 2022-2023. Effective the first full pay period of Fiscal Year 2022-2023, all salary ranges for employees holding positions in classifications assigned to MEF shall be increased by approximately 3.00%.

2021 MEF NEGOTIATIONS PACKAGE PROPOSAL E

SPECIAL PAYS

- Shift Differential (As counterproposed on June 14, 2021)

LEAVES

- Personal Leave Proration (As proposed on April 30, 2021)

BENEFITS

- Employee Family Wellness (As counterproposed on May 19, 2021)
- Education and Professional Program for Part-Time Unbenefited Employees (As counterproposed on May 19, 2021)

CONTRACTING OUT

- Contracting Out (As counterproposed on April 23, 2021)

OTHER

- Maintenance of Membership (As counterproposed on May 7, 2021)
- Senior Airport Operations Specialist Minimum Qualifications (As counterproposed on June 2, 2021)

SIDE LETTERS

- Zoo Keeper Attire (Counterproposal – See Attached)
- Library and Community Center Security Issues (As counterproposed on June 14, 2021)
- Code Enforcement Inspectors (As counterproposed on June 14, 2021)
- Classification Reviews (As counterproposed on June 14, 2021)
- Public Safety Radio Dispatcher Series Issues (As counterproposed on May 7, 2021)
- Paid Parental Leave (As counterproposed on June 2, 2021)

TENTATIVE AGREEMENTS

- Reallocation Program (As counterproposed on April 30, 2021)
- Bilingual Pay (As proposed on May 19, 2021)
- Flexible Workplace Policy (As counterproposed on May 19, 2021)
- Resuming On-Site Work Safely (As counterproposed on May 19, 2021)
- Monthly Stewards' Meeting (As counterproposed on May 7, 2021)
- Citywide Labor Management Committee Release Time (*MEF's proposal dated April 28, 2021*)
- Bereavement Leave (*MEF's counterproposal dated April 28, 2021*)
- Flex Time (As counterproposed on June 2, 2021)
- Living Wage Discussions (As counterproposed on June 2, 2021)
- Non-Discrimination (As counterproposed on May 7, 2021)
- Higher Class Pay (As counterproposed on June 14, 2021)
- Senior Airport Operations Specialist Overtime Bidding (As counterproposed on June 14, 2021)

2021 MEF NEGOTIATIONS PACKAGE PROPOSAL E

- Expansion of Community Service Officer Duties (As counterproposed on June 2, 2021)
- Wage Scales (As counterproposed on June 2, 2021)

OTHER TERMS

This package proposal is submitted in an attempt to reach a settlement. In the event the package proposal is not accepted in its entirety, the City reserves the right to modify, amend and/or add proposals.

SIDE LETTER AGREEMENT

BETWEEN
THE CITY OF SAN JOSE
AND
THE MUNICIPAL EMPLOYEES' FEDERATION, AFSCME, LOCAL NO. 101 (MEF)

Zoo Keeper Attire

The City and the Municipal Employees' Federation (MEF) agree to continue discussions related to Zoo Keeper attire.

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 MEF and approved by the City Council.

FOR THE CITY:

FOR THE UNION:

Jennifer Schembri
Director of Human Resources
Director of Employee Relations
Date

John Tucker
Union Representative, AFSCME Local 101
Date

Steve Solorio
MEF President, AFSCME Local 101
Date