



City Council Agenda Item Staff Report

CITY OF SAN BRUNO

DATE: June 28, 2022

TO: Honorable Mayor and Members of the City Council

FROM: Jovan D. Grogan, City Manager

PREPARED BY: Monica Walker, Human Resources Manager

SUBJECT: Adopt Resolution Approving Agreement Between the City of San Bruno and the Miscellaneous Bargaining Unit and Authorizing Execution by the City Manager

BACKGROUND: The existing Memorandum of Understanding between the City of San Bruno and the Miscellaneous Bargaining Unit expired on December 31, 2021. Representatives from the City and the bargaining unit met and conferred in good faith and have reached a tentative agreement extending their existing Memorandum of Understanding an additional three years through December 31, 2024. The tentative agreements were signed by the bargaining unit on June 3 and 22, 2022, respectively.

DISCUSSION: The attached Tentative Agreements for the Miscellaneous Bargaining Unit will extend their current Memorandum of Understanding through December 31, 2024, based on factors identified during negotiations over the last eight months.

The City retained an independent consultant to conduct a total compensation survey of comparison agencies that was completed and reviewed with the union in October 2021. Total compensation for the group demonstrated that they were below the labor market median by an average of 6.18%. In addition to the total compensation survey of comparison agencies, the agreement's economic package was based on a variety of factors including inflation as measured by the Consumers Price Index, All Urban Consumers (CPI-U), for the San Francisco – Oakland – San Jose region. CPI-U in October 2021 was 3.8% for the region. CPI-U in 2020 was 2%, and the bargaining group received a 2% COLA in January 2020, and a 2% COLA in July 2020.

The tentative agreements include cost of living adjustments each year as follows:

- effective the first full pay period of January 2022, a 4% salary increase
- effective the first full pay period of January 2023, a 4% salary increase
- effective the first full pay period of January 2024, a 4% salary increase

Following a comprehensive organizational review and assessment of the City's Public Works Department, recommendations were made to improve the operation and maintenance of the City's water system. One of the recommendations was to reclassify key positions in the Water Division to require state certification in water distribution or treatment, which are currently offered as optional incentive pay certifications. An additional recommendation included offering certification incentive pay to Maintenance Workers outside of the Water division who obtain

state certification in water distribution or treatment, and are cross trained to provide support during emergencies or staff shortages.

Bargaining unit members will share in the cost for medical premium increases. The City will continue to pay 75% of the health care premium increase beginning January 1, 2022 through December 31, 2024.

The parties agreed to add the Retiree Plus Health Coverage to commence for all current employees who participate in the employee health plan effective January 1, 2021. Beginning January 1, 2022 through December 31, 2024 the City shall pay 75% and employee shall pay 25% of Retiree Plus Health Coverage premium.

FISCAL IMPACT: There is no fiscal impact to the current FY 2021/2022. The new contract goes into effect the first full pay period following adoption, which will be in the next fiscal year. The FY 2022/2023 budget includes funds for enhancements to employee salary and additional benefit costs over the fiscal year which will be covered by excess general fund revenues. The Water Division reclassification will incur an additional \$111,000 which will be covered by Water enterprise funds in FY 2022/2023.

ENVIRONMENTAL IMPACT: There is no environmental impact.

RECOMMENDATION: Adopt Resolution Approving Agreement Between the City of San Bruno and the Miscellaneous Bargaining Unit and Authorizing Execution by the City Manager.

ALTERNATIVES: Do not approve the agreement and direct the negotiating team to seek changes or to begin mediation discussions.

ATTACHMENTS:

1. Resolution
2. Tentative Agreement - Miscellaneous
3. Tentative Agreement - Water Division Reclassifications