



# Agenda Report

March 26, 2007

TO: City Council

FROM: City Manager

RE: APPROVAL OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF PASADENA AND THE SERVICE EMPLOYEES INTERNATIONAL UNION (SEIU) FOR THE TERM APRIL 27, 2005, THROUGH APRIL 26, 2009.

## RECOMMENDATION:

It is recommended that the City Council approve a successor Memorandum of Understanding between the City of Pasadena and the Service Employees International Union (SEIU) for a four year term covering the period April 27, 2005, through April 26, 2009; and approve a journal voucher to appropriate funds from the unappropriated Refuse Fund balance as may be necessary.

## BACKGROUND

The City and representatives of SEIU negotiated in good faith and reached tentative agreement on a successor Memorandum of Understanding. On February 16, 2007, the union membership ratified the tentative agreement reached by the parties. Economic adjustments and significant changes to the Memorandum of Understanding include the following:

1. Provide for a 5% adjustment effective May 2, 2005, to the salary step schedule of all bargaining unit classifications in SEIU; a 4% adjustment effective May 1, 2006; 4% effective April 30, 2007; and 3.5% effective April 28, 2008; and
2. Delete the dental contribution escalator clause from the MOU; and

3. Increase the City's health contribution to \$747 per month for employees with single coverage effective April 27, 2005, through December 31, 2005; change the escalator clause from 100% to 75% of the average dollar increase for the plans offered; and freeze the health contributions for employees with dependants until the employee only rate catches up, after which the unified rate will be subject to the 75% escalator provision; and
4. Amend the Gainshare Program to provide a monetary incentive for employees who show reductions in sick leave usage, lost time workers compensation claims, and traffic accidents (see Attachment 1); and
5. Increase the life insurance benefit for SEIU members to \$20,000 per employee; and
6. Add bilingual pay for qualified bilingual employees at the rate of \$75 per month; and
7. Create a new classification of Lead Solid Waste Truck Operator at an initial salary of \$24.32 per hour; and
8. Add registered domestic partner to the definition of immediate family member in sick leave and bereavement provisions of MOU;
9. Change sick leave allowance for all SEIU members to 80 hours per year;
10. Change maximum limit of sick leave accrual to 960 hours;
11. Amend the grievance procedure to eliminate requirement of a deposit or use of the American Arbitration Association and replace with the State Mediation and Conciliation Service.

FISCAL IMPACT:

The fiscal impact of the implementation of this Memorandum of Understanding between the City of Pasadena and Service International Union (SEIU) is estimated to be \$147,985 for fiscal year 2007, and \$249,876 for the entire four year term of the contract, including salary and related benefit costs. Funding for anticipated salary increases is included in the fiscal year 2007 operating budget. Any amounts in excess of those currently budgeted will be funded by the unappropriated balance in the Refuse Fund.

Respectfully Submitted,

  
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City Manager

Prepared by:

  
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Human Resources Manager

Approved by:

  
KARYN S. EZELL  
Director of Human Resources