

# Agenda Report

July 31, 2023

**TO:** Honorable Mayor and City Council

**FROM:** Human Resources Department

**SUBJECT: APPROVAL OF MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF PASADENA AND THE SERVICE EMPLOYEES INTERNATIONAL UNION FOR THE TERM OF JULY 1, 2023 - JUNE 30, 2027**

**RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed action herein is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA guidelines Section 15061(b)(3) (Common Sense Exemption); and
2. Approve an Amended Memorandum of Understanding (MOU) between the City of Pasadena (City) and the Service Employees International Union (SEIU), for the term of July 1, 2023 through June 30, 2027.

**BACKGROUND:**

The Service Employees International Union (SEIU) represents twenty-six full-time employees in the classifications of Solid Waste Truck Operator I and Solid Waste Truck Operator II. Solid Waste Truck Operators are responsible for the collection of the City's refuse and recycling. The current Memorandum of Understanding between the City and the SEIU expired on June 30, 2023.

Negotiations for a successor MOU began on June 1, 2023, and the parties reached a tentative agreement on a new multi-year contract on July 18, 2023. The proposed 4-year agreement will have a term of July 1, 2023 through June 30, 2027.

The following is a summary of the key contract provisions:

1. Term: July 1, 2023 – June 30, 2027
2. Salary Increases:
  - a. Effective July 31, 2023: 3.0% and a one-time non-PERSable lump sum payment of one thousand five hundred dollars (\$1500.00)
  - b. Pay period that includes January 1, 2024: 1.00%
  - c. Pay period that includes July 1, 2024: 3.50%
  - d. Pay period that includes July 1, 2025: 3.25%
  - e. Pay period that includes July 1, 2026: 2.75%
3. Overtime: Provide employees the ability to accrue up to a maximum of 80 hours of compensatory time off per fiscal year in lieu of receiving payment for overtime. All unused compensatory time off will be cashed out annually in the last pay period of the fiscal year.
4. Bereavement Leave: Employees may be granted an additional 16 hours of bereavement leave using their own vacation, floating holidays, and/or compensatory time off accrual banks.
5. Holidays: Effective upon agreement by all bargaining units, the City will observe March 31<sup>st</sup> and June 19<sup>th</sup> as holidays and February 12<sup>th</sup> will be combined with the third Monday in February observance.
6. Life Insurance: Increase from \$30,000 to \$50,000.
7. Boot Allowance: Provide new hires a reimbursement for safety boots purchased within 90 days of hire for up to \$250 with proof of purchase.
8. Tuition Reimbursement: Increase from \$2,000 to \$5,000 per fiscal year.
9. Non-economic language changes: This agreement includes non-economic changes to language related to health benefits, and floating holidays.

**COUNCIL POLICY CONSIDERATION:**

Approval of staff's recommendation supports the City Council's strategic goals of maintaining fiscal responsibility and stability and ensuring public safety.

**FISCAL IMPACT:**

The fully burdened fiscal impact of the proposed 4-year agreement is approximately \$1.024 million over the term of the contract, with ongoing expenses of approximately \$383,000 annually following expiration of the contract, 100% of which will impact the Refuse Fund.

The Public Works Department's FY 2024 Operating Budget includes additional funding in anticipation of negotiated wage increases. However, staff will monitor personnel expenses and request a supplemental appropriation during the fiscal year if necessary.


Respectfully Submitted,

  
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Human Resources Director

Prepared by:

  
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Approved by:

  
MIGUEL MÁRQUEZ  
City Manager

Attachment A – Service Employees International Union Memorandum of Understanding  
– July 1, 2023 – June 30, 2027