



Office of the City Manager

Date: February 25, 2022

To: Honorable Mayor and Members of the City Council

From: *DWR* Dee Williams-Ridley, City Manager

Subject: Information on Status of MOU Provisions, PEPRA Ramp Down Cost Share CalPERS Contract Amendment, and Commuter Subsidy Benefit

This memo is intended to provide Council with information on the implementation status of negotiated contractual provisions adopted by Council in July 2021. Staff will also share a copy of this memo with the labor groups.

Status of Negotiated MOU Provisions

The Human Resources department completed bargaining for all of the labor contracts from February 2021-July 2021. The table attached as Exhibit A, illustrates the implementation status of all MOU provisions adopted by council. Human Resources staff have completed implementation of approximately sixty-nine (69) provisions and are in the process of implementation and/or meet and confer around twelve (12) provisions.

PEPRA Ramp Down Timeline

The process to fully implement this negotiated provision complete had many unforeseen circumstances as there was no guidance on how to complete a contract amendment that included returning funding back to the agency and employee. The attached chart shows what we learned and a timeline for completion.

In order to effectuate the ramp down for unrepresented PEPRA employees, as they do not have an MOU like employees represented by a union, it required a CalPERS cost sharing contract amendment. CalPERS only allows for one contract amendment per year so the ramp down for all PEPRA employees must have the same effective date. The timeline attached to this memo as Exhibit B, illustrates the steps staff has taken, past and future effective dates of Council action to implement the PEPRA Ramp Down per CalPERS contract amendment requirements, effective date of the amendment, and prospective date of the request for the 2nd-year ramp down submission to CalPERS.

Human Resources will continue to monitor these steps along with implementing the express language of each unit' MOU.

February 25, 2022

Re: Information on Status of MOU Provisions, PEPRA Ramp Down Cost Share
CalPERS Contract Amendment, and Commuter Subsidy Benefit

Commuter Subsidy Benefit

Upon adoption of the MOU provision increasing the payment from \$20-\$80 staff started the implementation right away. The City subsequently learned that, by virtue of changes to the Internal Revenue Code (IRC), the City was required to apply tax withholdings to the commuter benefit. The City alerted SEIU CSU & PTRLA of the issue and of the City's need to resolve this question before it could implement the enhanced benefit. The City also advised that, while the decision to ensure compliance with the IRC is itself a management decision, it would be amenable to meeting-and-conferring regarding identified impacts of the decision, in a manner consistent with the terms outlined in the MOU. We spent time meeting that obligation of meet and confer.

Following the conclusion of this process the SEIU CSU & PTRLA MOU provision to increase the Commuter Check benefit Subsidy was implemented, and retro-active pay to August 2021 was issued on January 13, 2022. Prior to August 21, 2021 and through February 2022, employees had to register with Benefit Resource Inc. (BRI) and navigate through a multi-step process. Beginning in March 2022, the administration of the Commuter Subsidy will be brought in-house and no longer be administered through BRI. Employees wanting to request the Subsidy will not need to register with BRI or need to claim their Subsidy through BRI. Employees will complete the "Commuter Subsidy Benefit Request Form" and return via email to commutebenefits@cityofberkeley.info. Please see Exhibit C for the request form. The benefit will be included in the participating employees' bi-weekly pay check beginning March 10, 2022.

Attachments:

Exhibit A: CalPERS Ramp Down Implementation Timeline

Exhibit B: Status of MOU Provisions

Exhibit C: Commuter Subsidy Benefit Request Form

cc: Paul Buddenhagen, Deputy City Manager
LaTanya Bellow, Interim Deputy City Manager
Donald E. Ellison, Interim Human Resources Director
Farimah Brown, City Attorney
Jenny Wong, City Auditor
Mark Numainville, City Clerk
Matthai Chakko, Assistant to the City Manager

Exhibit A

CalPERS Ramp Down Implementation Timeline

First Year Ramp Down Process		Date
1.	SEIU M&C MOU and Unrepresented Manual Approved	July 20, 2021
2.	SEIU CSU and Local 1 MOU Approved	July 29, 2021
3.	Council on Summer Recess	July 30, 2021 – September 13, 2021
4.	No Roadmap to Effectuate PEPRA Ramp Down – Developing process Unrepresented Ramp Down Requires CalPERS Contract Amendment One CalPERS Contract Amendment per year.	August 2021 & September 2021
5.	Resolution to Request CalPERS Contract Amendment Approved	October 26, 2021
6.	Revised Resolution to Request CalPERS Contract Amendment Approves	December 14, 2021
7.	Council adopted resolution to start request CalPERS Cost Share Ramp down	December 14, 2021
8.	Unrepresented Ramp Down Vote – Simple majority required	December 14, 2021 - January 4, 2022
9.	Request for CalPERS Cost Share Amendment sent to CalPERS	January 5, 2022
10.	Required contract amendment documents, including the Resolution of Intention uploaded on to MyCalPERS	February 1, 2022
11.	Council to Adopt Resolution of Intention (Twenty days must lapse)	February 22, 2022
12.	Final Ordinance Adoption	March 22, 2022
*13.	Effective Date of Ordinance/Resolution	March 24, 2022
*14.	Effective Pay period start date of Ramp Down	April 3, 2022
Second Year Ramp Down Process		Date
1.	Send Request for Employee Cost Share Contract Amendment	April 4, 2022
2.	CalPERS will contact the requesting agency to establish anticipated schedule of agency actions and upload required documentation	

*This is assuming Council Adopts and Emergency Ordinance/Resolution – Ordinance/Resolution must read “Emergency”

Exhibit B
Status of MOU Provisions

BFCOA

Section	Change
Duration	July 1, 2021 through June 30, 2023
Salaries	6% increase for the term of the contract (3% after the first full pay period after City Council adoption, 3% effective the first full pay period in July 2022)
Equity Increase to median	2.31% equity increase for Battalion Chiefs
Residency Requirement	Requirement deleted due to adoption and passage of measure.
Uniform Allowance	\$300 increase in annual allowance paid in equal bi-weekly installments; New hire PEPRAs members will receive a one-time lump sum \$500 to be used towards the purchase of uniforms and equipment.
Longevity Pay	3% differential upon completion of eleven (11) years of services; an additional 5% differential upon completion of nineteen (19) years of service.
Emergency Medical Technician (EMT)	Differential increase 5% for EMT certification
FLSA Premium	Meet and confer prior to February 2022 on creating a time worked provision/constant FLSA pay system and /or moving to a 14-day FLSA cycle.
Battalion Chief Compensatory Time and Maximum Accumulation	Compensation time accumulation increase to 132 hours (+24 hours); compensation time in excess of 198 (+36 hours) shall be paid as compensation.
Assistant Chiefs and Fire Marshalls	Earn one additional day of Admin Leave each year.
Retiree Health Premium Assistance Plan	Meet and Confer within 90 days of implementation of successor MOU to discuss RHPA Plan document.
2.4.1 Temp Assignments to HC	Higher Class pay increased to 10% when working
4.1.3 Medical Cash-in-lieu	Effective the first full pay period following Council approval of this Understanding, and for those employees who show proof of alternate medical coverage, the City will compensate the employee \$560 per month, to be paid in equal amounts in each of the twenty-six (26) pay periods.

BFFA

Section	Change
10 Duration	Two- years; July 1, 2021 through June 30, 2023
10.15 Longevity Pay	3% at 12 years of service in a classification represented by the Association; and an additional 5% differential at 20 years.
10 Salaries; Median salary adjustments	2.5% first full pay period after Council adoption plus salary increases of 2.48% for Firefighter; 10.07% for Captain II, 2.81% for Apparatus Operator, and 2.46%

	for Fire Inspector; and, 3.5% first full pay period in July 2022.
41 Residency Requirement	Deletion of Residency Requirement
Exhibit F - Wellness/Fitness	\$20,000 increase for mental health treatment facilities
10.1.7 Medical Specialist Team (New)	5% add pay for two assigned on-duty personnel per shift
28.2 Medical Cash-in-lieu	Effective the first full pay period following Council approval of this MOU, and for those employees who show proof of alternate medical coverage, the City will compensate the employee \$560.72 per month, to be paid in equal amounts in each of the twenty-six (26) pay periods.
Supplemental Retirement Income Plan (SRIP) II	Enrollment in Supplemental Retirement Income Plan (SRIP II) that provides approximately \$2,170 per year (6.7% of first \$34,200).
Exhibit C Emergency Medical Services Program	All personnel under the rank of Captain shall receive 6.25% FRALS pay
10.9 Emergency Medical Technician Pay	Increase EMT pay from 4% to 5%
16.4 Compensatory Time	Increase in Comp Time maximum accrual by 24 hours
36.1 Uniform Allowance	\$300 increase in uniform allowance and \$500 lump sum stipend for new hires who are PEPRA members
FLSA Premium: 16.9	Under the FLSA and Section 7(k), overtime pay is only required when the employee actually works in excess of 182 hours in a 24-day period. All firefighters in each shift will work exactly eight 24-hour work shifts every 24-day period. The start time of the 24-day work period for line employees to 8 am to align with the employees' start time. Shift in start time will be effective the first full pay period in January 2022.
29.7 Retiree Health Premium Assistance Plan	Meet and Confer within 90 days of implementation of successor MOU to discuss RHPA Plan document.

Local 1

Term	Three-years; Effective Upon Council Adoption to June 26, 2024
Salary Increases	3% increase effective upon Union ratification and Council approval; 3% effective the first full pay period in July 2022; 1% effective the first full pay period in July 2023.
Additional Floating Holiday	Up to 32 hours that expired December 31, 2021
PEPRA Cost Share	PEPRA Pension contribution ramp down over term; 3% % (to be effective as soon as administratively possible following adoption of successor contract by the City Council, subject to CalPERS rules and regulations); 4% effective July 1, 2022, 1% effective July 1, 2023

32.2 Continuous Ed. Leave	Increased to eighty (80) hours off
13.11.1 Classification Review:	Beginning no later than six (6) months after ratification of this Agreement October 20, 2018 to June 27, 2020, the City agrees to work with two representatives designated by the Union with the intent of completing a classification and compensation
Section 6.4	(Union/Management Meetings) as follows: The City agrees to meet and discuss with Public Employees Union Local 1, a meeting held no sooner than October 1, 2021, regarding providing additional compensation to the classification of Senior Forestry Supervisor for possessing a Class A or B license

SEIU CSU

Section	Change
8 Duration	Three years 6/27/21 – 6/26/2024
15.3 Longevity Pay	3% at 20 years
9 Salaries	3% effective first full pay period after Council adoption, 3% effective first full pay period in July 2022, 1% effective first full pay period in July 2023; and, \$1,000 lump sum for non-career employees. For on-call employees, they must have some paid time in the pay period and no LWOP in order to receive the \$1000
PEPRA Cost Share	PEPRA Pension contribution ramp down over term; 3% effective as soon as administratively possible following adoption of successor contract by the city council and in accordance with CALPERS requirements or the first full pay period of the calendar year 2022 whichever comes first ; 4% effective July 1, 2022, 1% effective July 1, 2023
9.23 Psychiatrist Board Certification Educational Incentive Pay (New)	Incorporate side letter agreement 5% per board certification up to a maximum of 10%
10.14 Project Based Position Employee (New)	Incorporate side letter agreement NTE three-years
13.5.1 Emergency Call Back Employees in the IT Department (New)	Incorporate side letter agreement Minimum of 2.5 hours of overtime for IT employees who perform remote work in VPN; minimum of 4 hours OT if employee physically returns to work.
15.6 Hazardous Special Assignment Premium Pay (New)	Job audit within 90 days of Behavioral Health Clinician I/II, Social Services Specialist, and Code Enforcement Officer I/II and meet and confer over results
20.2 Workers Compensation Salary Continuation (New)	Incorporate side letter agreement
27.10.1 Flexible Spending & Dependent Care (New)	Settle claims with affected employees unable to rollover flexible spending and dependent care accounts in 2020
39.16.1 Protective Clothing and Shoes (New)	Adding Social Services Specialist and Behavioral Health Clinician I/II assigned to provide services at encampment sites to classes eligible for \$200 annual shoe allowance
40.15 Commuter Check Subsidy	Increase subsidy amount to \$80

Section	Change
Benefits	
Section 48	Internet Access for R2: Effective as soon as administratively possible, upon request by an employee the City will provide access to the City's email system. Note: R1 already has internet access.

IBEW

Term	June 28, 2020 through June 30, 2022
Salary Increase	4% increase, effective July 2021
Retiree Medical	Increase in Medicare eligible monthly premium assistance to \$50 for single and \$100 for two-party plans
One-time Lump Sum	\$1000, effective July 2021
Additional Floating Holidays	32 hours of additional floating holiday expiring June 30, 2021
Longevity	3% at 20 years
Binding Arbitration	Binding arbitration for non-disciplinary grievances

SEIU MC

10 Duration	Three-years 6/27/21 – 6/26/2024
17.10 Longevity	3% at 20 years
11 Salaries	4%, 3%, 1%; \$1000 lump sum
Payroll Specialty Pay	\$500 paid after first full pay period after Council approval; \$500 paid first full pay period in January 2011 to 15 "Payroll Clerks" identified by SEIU
22.1 Salary Continuation (New)	Incorporate SLA
16.5 Zero Waste Route Reduction Premium	2.5% for impacted employee of permanent elimination of routes below 27
43.9.4 (New)	PEPRA Pension contribution ramp down of six years; 1% (Effective as soon as administratively possible following adoption of successor contract by the City Council) , 1%, 1%, 2%, 2%, 1%, with reopener upon request in January 2024
Section 31.3.1	City to conduct with actuarial analysis with 45 days of implementation of successor MOU and meet and confer to impasse over results.

Unrepresented

10 Duration	Three-years 6/27/21 – 6/26/2024
1.15.1 Salaries	4%, 3%, 1%; \$1,000 lump sum
1.15 New Payroll Specialty Pay	\$500 paid first full pay period after Council approval; \$500 paid first full pay period in January 2022 to 15 "Payroll Clerks" identified by SEIU
4.15.1 Salary Continuation (New)	Incorporate SLA
5.1 Recognized Holidays	Eliminate Lincoln's Birthday and Add Cesar Chavez and Juneteenth Holiday – <u>if all other bargaining unit agree</u>

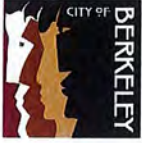
8.4.6 PEPRA Contributions	PEPRA Pension contribution ramp down of six years; 1% (Effective as soon as administratively possible following adoption of successor contract by the City Council) , 1%, 1%, 2%, 2%, 1%, with reopener upon request in January 2024
8.8 Public Safety Uniform Allowance	Payments paid over twenty-six (26) equal biweekly payments instead twice a year.
13.4 Cash-In-Lieu Payments	Payments paid over twenty-six (26) equal biweekly payments instead twice a year.
13.25-26 Longevity	3% at 20 years

BPA

Section	Change
10 Duration	Two- years July 1, 2021 through June 30, 2023
15 Longevity Pay	3% at 10 years of service in a classification represented by the Association; and an additional 5% differential at 20 years.
11 Salaries	3% July 2021, 3% first fully pay period July 2022; 2.66% Police Lieutenant salary increase; 2.61% Salary increase Police Sergeant
37 Suspension and Discharge	240 Day Limit on Imposition of Discipline
31.6 Cash-in-lieu	Effective the first full pay period following Council approval of this Understanding, and for those employees who show proof of alternate medical coverage, the City will compensate the employee \$560.72 per month, to be paid in equal amounts in each of the twenty-six (26) pay periods.
34 Probationary Period	Lateral appointments shall be tentative and subject to a probationary period of eighteen (18) months of actual service.
9 Finality of Recommendations	Neither party may require the other to meet and confer on any subject matter covered herein or with respect to any presentation of during the term of the MOU. Nothing in this MOU shall preclude the City from requesting Meet and confer during the term of the MOU on matters pertaining to police reform/reimagining. Section 9.5.2 shall sunset on June 30, 2032 unless mutually agreed by parties.
6.1; 37.4 Police Oversight Measure	Update all MOU language regarding Police Oversight Measure (Section 6.1; Section 37.4 – 120-day issue; Extension Agreement – covers 120-day issue and below
19.8 Virtual Attendance	Compensation for required virtual attendance at one-half the premium.
43 Uniforms	Uniform allowance accrued over the course of a year shall be paid in equal amounts in each of the 26 pay periods.

Provisions Effectuated	69
Provisions In-Progress	12

Exhibit C



COMMUTER SUBSIDY BENEFIT REQUEST FORM

By submitting this form, you confirm you are a City of Berkeley Employee eligible to receive the \$20; \$80 (CSU only) monthly Subsidy for Mass Transit or Bicycle Travel. Payment of this subsidy ends with termination of your employment.

FIRST NAME	
LAST NAME	
EMPLOYEE ID	
DATE OF REQUEST	
UNION	

Return this form or ask questions at commutebenefits@cityofberkeley.info