(R-2009-1062) (COR. COPY) 4/21/09

RESOLUTION NUMBER R- 304827

DATE OF FINAL PASSAGE MAY 0 1 2009

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING A TENTATIVE AGREEMENT BETWEEN THE CITY AND THE SAN DIEGO MUNICIPAL EMPLOYEES' ASSOCIATION REGARDING TERMS AND CONDITIONS OF EMPLOYMENT FOR FISCAL YEARS 2009-2010 AND 2010-2011.

WHEREAS, from January 22, 2009 until April 7, 2009, the Management Team of the City of San Diego [City] met and conferred with the San Diego Municipal Employees' Association [MEA], regarding wages, hours, and other terms and conditions of employment for employees represented by MEA in the Classified Service of the City, and made detailed recommendations to the City Council in relation thereto; and

WHEREAS, the Meyers-Milias-Brown Act [MMBA], at California Government Code section 3500 *et seq.*, is the state law that governs labor relations between the City of San Diego and its represented employees in the City's recognized employee organizations, including MEA; and

WHEREAS, the MMBA requires the City to participate in collective bargaining with its recognized employee organizations, including MEA, in an effort to reach agreement on terms and conditions of employment within the scope of representation prior to the adoption of the City's final budget for the ensuing fiscal year; and

WHEREAS, California Government Code section 3505.1 provides if agreement is reached by the designated representatives of the City, as defined by the MMBA and local rules, and a recognized employee organization, the City's designated representatives and the

recognized employee organization shall jointly prepare a written memorandum of understanding [MOU], which shall not be binding, until approved by the City Council, and present it to the City Council, as the governing body, for determination; and

WHEREAS, on April 14, 2009, following initiation of the City's impasse procedures, as set forth in City Council Policy 300-06, the City's designated representatives and representatives of MEA reached tentative agreement on terms and conditions of employment for a two-year MOU, for a term to begin July 1, 2009; such tentative agreement is subject to ratification and approval by the City Council and the members of MEA, and further subject to the approval of the MOU by the City Council, as provided by the MMBA, specifically California Government Code section 3505.1, and San Diego City Charter section 11.2; and

WHEREAS, it is the desire of the City Council that the terms set forth in the tentative agreement, referenced herein, and attached hereto as Exhibit A and fully incorporated herein, be documented in an MOU and brought before the City Council at a later date for final determination; and

WHEREAS, San Diego City Charter section 11.2 requires that any multiple year MOU with any recognized employee organization concerning wages, hours, and other terms and conditions of employment is within the exercise of legislative discretion of the City Council so long as the City Council determines it is in the best interests of the City to enter into a multiple year MOU and approves the MOU by a two-thirds vote of the entire Council; and

WHEREAS, it is the City Council's determination that given the current fiscal issues facing the City, it is in the best interests of the City to enter into a multiple year MOU with MEA, which includes reduction in total compensation for MEA members, because the MOU, in

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part, reduces the City's projected budget deficit for fiscal years 2009-2010 and 2010-2011 and creates two years of stability of employee compensation; and

WHEREAS, the City Council desires to approve the terms set forth in the tentative agreement, attached to this Resolution as Exhibit A, so long as this approval is contingent upon and subject to ratification and approval of the tentative agreement and MOU by a simple majority of MEA members and further contingent upon and subject to the City and MEA jointly bringing forward an MOU at a later date for final determination by the City Council.

NOW, THEREFORE, BE IT RESOLVED that, pursuant to the authority of the MMBA and City Council Policy 300-06, the Council of the City of San Diego hereby approves the tentative agreement between the City and MEA, attached as Exhibit A and fully incorporated herein by reference; such approval being contingent upon and subject to ratification and approval of a simple majority of MEA members; and

BE IT FURTHER RESOLVED that the City Council directs the City's designated representatives to jointly prepare with representatives of MEA the written MOU and present it to the City Council at a later date for final determination.

APPROVED: JAN I. GOLDSMITH, City Attorney

/Joan F. Dawson

Deputy City Attorney

JFG:cfq 04/17/09

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Or.Dept: C.A. R-2009-1062

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I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of <u>APR 2 1 2009</u>.

	ELIZABETH S. MALAND City Clerk
	By Man Jum and Deputy City Clerk
Approved: 5-1-09 (date)	JERRY SANGERS, Mayor
Vetoed:(date)	JERRY SANDERS, Mayor

EXHIBIT A

Tentative Agreement Term Sheet

Between the City of San Diego and MEA

(Tentative Agreement reached on April 14, 2009)

MEA's General Fund "Fair Share" Target is \$8.9 Million

ISSUE	SAVINGS (per year)		
Term-2 years	Bargaining Costs		
Two-year general salary freeze	Savings to be determined by the		
	SDCERS actuarial valuation		
Waiver of Supplemental Pension Savings Plan (SPSP)	\$5.07M General Fund		
Mandatory 3.0% Match or 3% Pay Deduction	\$3.22M Non-General Fund		
52 Hours (6.5 days) of Mandatory Furlough to be	\$3.84M General Fund		
taken by all employees (except hourly-paid) based on	\$2.36M Non-General Fund		
agreed individual scheduling			
DROP	N/A		
- Acknowledge that MEA reserves the right to			
meet and confer and/or challenge any proposed			
change resulting from the City's definition of			
DROP's "cost neutrality"			
- The parties agree to reopen meet and confer if			
any aspect of DROP is found by a court of			
competent jurisdiction or PERB determines to			
be a mandatory subject of meet and confer under the MMBA			
Retiree Medical Plan	Savings from Suspension of		
- Suspension of Automatic Benefit Escalator	Automatic Benefit Escalator Provision		
Provision for 2-year period	and eligibility change to be		
- Joint Study of Retiree Medical Benefit (FY10)	determined by actuarial valuation on a		
- Reopening of meet and confer on Retiree	representation group basis.		
Medical Benefit (FY11)	S		
- Eligibility change from 5 to 10 years of			
creditable service for 50% benefit and 10 to 20	·		
years for 100% benefit, with 5% graduated			
eligibility increases for each year of creditable			
service beyond 10 years	·		
Freeze flexible benefits at FY08 level of \$6,075 for	\$0		
two years			
Elimination of Hyatt Legal Plan	\$0		
Reopen meet and confer when the City proposes a	N/A		
modified LTD plan			
Add \$500 annual uniform allowance effective July 1,	(\$1500) Non-General Fund		

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2009, for ESD Safety Representatives I and II, Safety			
Officer and Safety & Training Manager			
Require that proof of death be provided in order to	N/A		
receive Bereavement Leave			
Elimination of Presidential Leave Program	N/A		
Revision to Article 87, Performance Management	N/A		
Program, to reflect current practices			
Use of City email for union and employer-employee	N/A ·		
relationship purposes			
Prohibition on the consumption of alcohol during	N/A		
work hours, including lunch and breaks			
Inclusion of new pension plan for employees hired on	Savings to be determined by the		
or after July 1, 2009, to be included in the MOU as	SDCERS actuarial valuation		
agreed to on July 25, 2008			
Sub-Total Sub-Total	\$8.91M General Fund		
	\$5.58M Non-General Fund		
Total	\$14.49M General Fund + Non-		
	General Fund		
MEA General Fund Fair Share	\$8.9M		

Passed by the Council of T	The City of San Dieg	go on	APR	2 I 2009 , by	the following	vote:
Council Members	Yeas		Nays	Not Present	Recused	
Sherri Lightner				`_		
Kevin Faulconer						
Todd Gloria						
Anthony Young	Z					
Carl DeMaio		•				
Donna Frye		•				
Marti Emerald			. [
Ben Hueso	Z					
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JTHENTICATED BY:			JERRY SANDERS Mayor of The City of San Diego, California.			
		-		ELIZABETH S.		
(Seal)			City Cler	k of The City of Sar	n Diego, Calit	fornia.
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