



Office of the City Manager

June 6, 2018

To: Honorable Mayor and City Councilmembers

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

Re: SEIU 1021 Strike Authorization Vote

The purpose of this memorandum is to provide you with information related to how we managed the SEIU 1021 strike authorization vote today, June 6, 2018, from 12:30 p.m. to 2:00 p.m., in front of 2180 Milvia Street.

We value and support our employees' rights under the Meyers-Milais-Brown Act and their Memorandum Agreement (MA) and, as such, employees may attend this Union activity on their own time. This event was not subject to Union release time under the Memorandum Agreement, however, employees were allowed to attend on their lunch break and written direction was issued to departments on how to handle those requests. While the City continues to face economic challenges, its support for competitive and outstanding employee compensation is measureable by the following:

- The City currently pays **100% of all medical premium costs** based on the Kaiser premiums for employees and their families.
- A total compensation survey commissioned by the City of the positions in SIEU 1021's clerical and maintenance unit in relationship to similar positions in 11 other comparable City and County agencies survey confirms that the City's current package against future increases already negotiated in the other jurisdictions places the City in the **number 1 or 2 of the highest compensated**.
- Out of the 11 comparable agencies, only the City of Berkeley and the County of Santa Clara implemented the **highest CalPERS pension formula** offered for its employees.
- The City is challenged with rising pension costs as a result of CalPERS lowering the discount rate and the increasing cost of city pension payment. Costs are expected to rise over the next 5 years.

- 74% of the City's General Fund budget is dedicated to funding employees who provide quality service to City of Berkeley residents. Pension and health care cost are increasing.
- The City's retiree medical costs have seen double digit increases in healthcare premiums over the past two years and is currently underfunded. There are currently more retirees receiving medical contributions than active employees. The City is developing a plan to begin funding these cost to ensure that the employee's retiree medical program is sustainable.
- Safety of employees is paramount. The City has proposed additional safeguards that zero waste drivers are required to immediately report and cease driving any vehicle that may be unsafe until cleared by the mechanic staff.

The City's negotiation team has meetings set with SEIU 1021 for June 6th, 7th and 9th of this week and June 11th and 13th of next week. We remain hopeful that we will reach an agreement soon to continue the high quality of services that the City's many dedicated employees provides to its residents.

cc: Department Directors
Matthai Chakko, Assistant to the City Manager
Erin Steffen, Assistant to the City Manager
Tasha Tervalon, Assistant to the City Manager