

**CITY MANAGER'S REPORT  
JUNE 8, 2020 CITY COUNCIL REGULAR MEETING**

**ITEM 4.7**

**ITEM:**                                   **EXTENSION OF MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF LATHROP, LATHROP MID-MANAGERS AND CONFIDENTIAL EMPLOYEES ASSOCIATION AND SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL 1021, AND UNREPRESENTED EMPLOYEES**

**RECOMMENDATION:**   **Adopt a Resolution Authorizing the City Manager to Execute Agreements Extending the Memorandums of Understanding with Lathrop Mid-Managers and Confidential Employees Association and Service Employees International Union Local 1021, and Provide Unrepresented Staff with the same Terms and Conditions**

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**SUMMARY:**

The City of Lathrop has two (2) employee bargaining units, Lathrop Mid-Managers and Confidential Employees Association (LMCEA) and Service Employees International Union Local 1021(SEIU). Each of the bargaining units operate under a Memorandum of Understanding (MOU). The MOU's establish wages, working hours and other terms and conditions. The MOU's for both LMCEA and SEIU expire on June 30, 2020.

In February of 2020, the City began negotiations with both bargaining units. However, due to the significant and uncertain impacts to the economy due to the outbreak of COVID-19, all parties have agreed to extend the term of the agreements to June 30, 2021 with the same terms and conditions, that included a 3% Cost-of Living (COLA) increase effective July 1, 2020.

**BACKGROUND:**

The City of Lathrop recognizes SEIU as the employee organization representing the general services bargaining unit and LMCEA as the employee organization representing the designated mid-manager, supervisory and confidential employee positions. The City Council adopted Resolution 16-4093 approving the MOU's with both bargaining units with a term of July 1, 2016 to June 30, 2019. Additionally, the Resolution provides unrepresented employees with the same terms and conditions as provided to LMCEA and SEIU members, pursuant to their MOU.

In 2019, the bargaining units requested and the City Council approved, a 1-year extension to the MOU's with the same terms and conditions, that included a 3% Cost-of-Living Adjustment (COLA) expiring on June 30, 2020.

**CITY MANAGER'S REPORT**  
**JUNE 8, 2020 CITY COUNCIL REGULAR MEETING**  
**Extension of Memorandums of Understanding with LMCEA and SEIU**

The City began negotiations with both LMCEA and SEIU in February 2020. However, due to the significant and uncertain change of events to the United States economy due to the outbreak of COVID-19, all parties agreed to extend the term of the agreement to June 30, 2021 with the same terms and conditions, that included a 3% COLA effective July 1, 2020. Staff is recommending that the City Council adopt a resolution authorizing the City Manager to sign agreements extending the term of the MOU's.

**REASON FOR RECOMMENDATION:**

Due to the current economic uncertainty, it is in the best interest of all parties to postpone negotiations to a later date. Staff anticipates such negotiations will begin in January of 2021. We are hopeful that the economy will have stabilized by then and we will have a better understanding of the full economic impact of COVID-19 on the City's revenues and expenses.

**FISCAL IMPACT:**

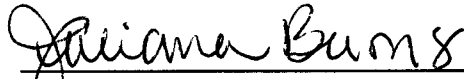
Extending the contracts for an additional year, with the same terms and conditions has an estimated fiscal impact of \$310,000. A 3% COLA was anticipated and included in the current Fiscal Year 2020/2021 Budget, therefore, a budget amendment is not needed.

**ATTACHMENTS:**

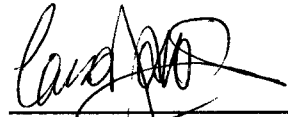
- A. Resolution Authorizing the City Manager to Sign Agreements Extending the MOU's to June 30, 2021
- B. Side Letter Agreement No. 3 with LMCEA
- C. Side Letter Agreement No. 3 with SEIU

**CITY MANAGER'S REPORT  
JUNE 8, 2020 CITY COUNCIL REGULAR MEETING  
Extension of Memorandum of Understanding with LMCEA and SEIU**

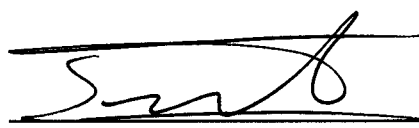
**APPROVALS:**

  
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Juliana Burns  
Human Resources Manager

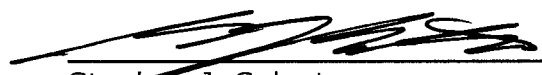
6-2-2020  
Date

  
\_\_\_\_\_  
Cari James  
Director of Finance and  
Administrative Services

6/2/2020  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

6-2-2020  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

6.3.2020  
Date

**RESOLUTION NO. 20-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP  
AUTHORIZING THE CITY MANAGER TO EXECUTE AGREEMENTS EXTENDING  
THE MEMORANDUMS OF UNDERSTANDING (MOU) WITH LATHROP MID-  
MANAGERS AND CONFIDENTIAL EMPLOYEES ASSOCIATION (LMCEA) AND  
SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL 1021 (SEIU), AND  
PROVIDE UNREPRESENTED STAFF WITH THE SAME TERMS AND  
CONDITIONS**

**WHEREAS**, the City of Lathrop recognizes SEIU as the employee organization representing the general services bargaining unit and LMCEA as the employee organization representing the designated mid-manager, supervisory and confidential employee positions; and

**WHEREAS**, LMCEA and SEIU each operate under an MOU which establishes wages, working hours and other terms and conditions; and

**WHEREAS**, the City, LMCEA and SEIU are parties to MOU's with terms ending June 30, 2020; and

**WHEREAS**, the City began negotiations with both bargaining units in February 2020; and

**WHEREAS**, due to the significant and uncertain impacts to the economy due to the outbreak of COVID-19, all parties have agreed to extend the term of the current agreements to June 30, 2021 with the same terms and conditions, that included a 3% Cost-of Living (COLA) increase effective July 1, 2020;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lathrop hereby authorizes the City Manager to execute an agreement with Lathrop Mid-Managers and Confidential Employees Association and Service Employees International Union Local 1021 extending the MOU's to June 30, 2021 and providing a 3% COLA increase effective July 1, 2020; and

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the City Council of the City of Lathrop does hereby provide Unrepresented Staff Members the same compensation and benefits as provided to LMCEA and SEIU members pursuant to their MOU's.

The foregoing resolution was passed and adopted this 8<sup>th</sup> day of June, 2020, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:


ABSTAIN:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney

**SIDE LETTER AGREEMENT NO. 3  
BETWEEN THE CITY OF LATHROP AND  
LATHROP MID-MANAGERS AND CONFIDENTIAL EMPLOYEES ASSOCIATION  
EXTENDING MEMORANDUM OF UNDERSTANDING  
TO JUNE 30, 2021**

**THIS AGREEMENT**, dated for convenience this \_\_\_\_ day of June 2020 is by and between Lathrop Mid-Managers and Confidential Employees Association (LMCEA) and the City of Lathrop (City);

**RECITALS**

**WHEREAS**, the City and LMCEA are parties to a Memorandum of Understanding (MOU) with a term ending June 30, 2020; and

**WHEREAS**, the City and LMCEA began negotiation meetings on February 13, 2020; and

**WHEREAS**, there has been a significant and uncertain impact to the economy due to the outbreak of COVID-19; and

**WHEREAS**, both parties have agreed to extend the term of the MOU to June 30, 2021 with a 3% COLA effective July 1, 2020; and

**WHEREAS**, all other terms and conditions of the MOU to remain unchanged; and

**WHEREAS**, the City Council approved and authorized the City Manager to sign this agreement at its regularly scheduled meeting of June 8, 2020;

**NOW THEREFORE**, parties have agreed to extend the current MOU by way of the meet and confer process. The persons executing this MOU each represent and warrant that they have been duly authorized to do so and the MOU is a valid and binding obligation of both parties.

**CITY OF LATHROP**

**LMCEA**

\_\_\_\_\_  
Stephen J. Salvatore, City Manager

\_\_\_\_\_  
Paul Konsdorf, Labor Representative

**APPROVED AS TO FORM:**

**LMCEA**

\_\_\_\_\_  
Salvador Navarrete, City Attorney

\_\_\_\_\_  
Lee Ann Sterni, President

**SIDE LETTER AGREEMENT NO. 3  
BETWEEN THE CITY OF LATHROP AND  
SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL 1021  
EXTENDING MEMORANDUM OF UNDERSTANDING  
TO JUNE 30, 2021**

**THIS AGREEMENT**, dated for convenience this \_\_\_\_ day of June 2020 is by and between Service Employees International Union Local 1021 (SEIU) and the City of Lathrop (City);

**RECITALS**

**WHEREAS**, the City and SEIU are parties to a Memorandum of Understanding (MOU) with a term ending June 30, 2020; and

**WHEREAS**, the City and SEIU began negotiation meetings on February 13, 2020; and

**WHEREAS**, there has been a significant and uncertain impact to the economy due to the outbreak of COVID-19; and

**WHEREAS**, both parties have agreed to extend the term of the MOU to June 30, 2021 with a 3% COLA effective July 1, 2020; and

**WHEREAS**, all other terms and conditions of the MOU to remain unchanged; and

**WHEREAS**, the City Council approved and authorized the City Manager to sign this agreement at its regularly scheduled meeting of June 8, 2020;

**NOW THEREFORE**, parties have agreed to extend the current MOU by way of the meet and confer process. The persons executing this MOU each represent and warrant that they have been duly authorized to do so and the MOU is a valid and binding obligation of both parties.

**CITY OF LATHROP**

**SEIU**

\_\_\_\_\_  
Stephen J. Salvatore, City Manager

\_\_\_\_\_  
Mike Fouch, Business Representative

**APPROVED AS TO FORM:**

**SEIU**

\_\_\_\_\_  
Salvador Navarrete, City Attorney

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Jon Stead Mendez, Executive Director

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