

**Side Letter Agreement #3
To the 2019-2022 Memorandum of Understanding
Between the City of El Monte and
Service Employees International Union, Local 721 – General Unit**

This Side Letter #3 to the current July 1, 2019, through December 31, 2022, Memorandum of Understanding (“MOU”) and Side Letters #1 and #2 between the City of El Monte (“City”) and Service Employees International Union, Local 721 – General Unit (“SEIU” or “GU”) is made and entered into by and between the City and SEIU this 3rd day of November 2021. For purposes of this Side Letter #3, the capitalized term “Parties” shall be a collective reference to both the City and SEIU, and the capitalized term “Party” shall refer to either the City or SEIU interchangeably as appropriate.

WHEREAS, the Parties have agreed to the restoration of cost of living adjustments (“COLAs”) previously deferred under Side Letter #2; and

WHEREAS, the Parties have agreed to restoration of employee pension contribution increases previously deferred under Side Letter #2; and

WHEREAS, the Parties have agreed to additional personnel leave on a one-time basis; and

WHEREAS, the Parties have agreed to Education Incentive pay increases; and

WHEREAS, the Parties have agreed to extend the expired moratorium on contracting out or assigning work outside of the bargaining unit to December 31, 2021; and

WHEREAS, the Parties have agreed to extend the expired moratorium on layoffs to December 31, 2021; and

WHEREAS, the Parties have agreed to meet in December 2021 to review the Financial Analysis Report and consider whether to continue and/or modify cost saving and employee protection measures; and

WHEREAS, the Parties have agreed to open negotiations for a successor MOU by April 1, 2022; and

WHEREAS, except as expressly set forth in this Side Letter #3, the Parties have agreed that all other terms and conditions of the 2019-2022 MOU and Side Letters #1 and #2 shall remain in full force and effect; and

WHEREAS, the terms of this Side Letter #3 were ratified by a majority vote of the members of the GU on November 1, 2021; and

WHEREAS, the terms of this Side Letter #3 were approved and authorized by the El Monte City Council at its Regular Meeting on October 19, 2021 as agenda item #4.7; and

WHEREAS, this Side Letter #3 shall be submitted to the El Monte City Council for ratification upon execution by SEIU.

NOW, THEREFORE, the Parties to agree as follows:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. Restoration of Deferred COLAs and Employee Pension Contribution Increases

Items #2 through #6 of Side Letter #2, under Wage and Contribution Deferments, are hereby repealed, and the following sections of the MOU are hereby restored as of the dates specified therein:

- A. Section 4.02(B) – 5% salary increase effective January 1, 2021
- B. Section 4.02(C) – 5% salary increase effective January 1, 2022
- C. Section 7.01(D)(1)(c) – 2% increase in employee CalPERS contribution (total of 4%) effective January 1, 2021
- D. Section 7.01(D)(1)(c) – 2% increase in employee CalPERS contribution (total of 6%) effective January 1, 2022
- E. Section 7.03(E)(3) – 1% increase in employee PARS contribution (total of 2%) effective January 1, 2021
- F. Section 7.03(E)(4) – 1% increase in employee PARS contribution (total of 3%) effective January 1, 2022

All aforementioned wage and contribution increases that are effective January 1, 2021, shall be implemented retroactively no later than December 31, 2021.

SECTION 3. Personal Leave In Lieu of Furlough Reimbursement

Effective November 16, 2021, unit employees who were subject to furloughs during the period of September 1, 2020, through December 31, 2020, shall receive additional personal leave time equivalent to the number of furlough hours taken during the furlough period, up to a maximum of seventy (70) hours, to be utilized through December 31, 2022.

All requests to utilize this personal leave must be approved in advance by the unit employee's supervisor.

Any unused personal leave remaining as of January 1, 2023, shall be paid to the unit employee in cash utilizing their base pay rate in effect as of December 31, 2020. Such payment shall be made on or around the second pay check in January 2023. If an employee retires or separates from the City with any remaining balance, payment shall be made in the employee's final paycheck. This pay out of unused personal leave time shall be limited to the seventy (70) hours of personal leave time provided to unit employees in lieu of furlough reimbursement and shall not apply to any personal leave time provided under Section 6.04 of the MOU, as amended by Item #14 of Side Letter #2.

SECTION 4. Section 4.05(D) (Education Incentives (CalPERSable Compensation)) of the MOU, is hereby amended in its entirety to state as follows:

1. Eligibility

- a) Degrees must be obtained from an institution of higher learning with applicable accreditation, not be mandated to meet the classification's minimum job requirement criteria, and contribute to the unit employee's job knowledge, skills, and ability.
- b) Unit employees must follow procedures as set forth by the HR/RM Department when requesting Education Incentive Pay.

2. Compensation

- a) Effective through December 31, 2021, each unit employee who possesses an Associate's Degree from an accredited institution shall be compensated twenty five dollars (\$25) each pay period.
- b) Effective through December 31, 2021, each unit employee who possesses a Bachelor's Degree from an accredited institution shall be compensated fifty dollars (\$50) each pay period.
- c) Effective January 1, 2022, each unit employee who possesses an Associate's Degree from an accredited institution shall be compensated one hundred dollars (\$100) each pay period.
- d) Effective January 1, 2022, each unit employee who possesses a Bachelor's Degree from an accredited institution shall be compensated two hundred dollars (\$200) each pay period.
- e) Effective January 1, 2022, each unit employee who possesses a Master's Degree or higher level degree from an accredited institution shall be compensated three hundred dollars (\$300) each pay period.
- f) Compensation for Education Pay shall not be cumulative and unit employees shall be compensated for only the highest eligible degree earned. For example, a unit employee with an Associate's Degree and a Bachelor's Degree is only eligible for two hundred dollars (\$200) each pay period, not three hundred dollars (\$300) each pay period.
- g) Payment shall become effective the first day of the month following the submission of the degree or college transcripts, or the date the employee enters the unit, whichever occurs later.

- h) The Parties agree that Education Pay is special compensation and shall be reported as such to CalPERS, to the extent legally permissible, pursuant to Title 2 CCR, Section 571(a)(2) – Educational Pay.

SECTION 5. Moratorium on Contracting Out or Assigning Work Outside of the Bargaining Unit through December 31, 2021

The Parties agree to a moratorium on contracting out General Unit work or assigning General Unit work to employees outside the bargaining unit through December 31, 2021, in accordance with the following exceptions and procedures:

- A. The Parties agree to utilize the following process to backfill Dispatcher shift vacancies:
 - 1. Vacant shifts shall first be offered to any available Dispatchers.
 - 2. Should no available Dispatchers voluntarily accept the vacant shift, the City will assign the least senior Dispatcher to cover the shift.
 - 3. The Parties agree to work together to ensure affected unit employees respond to the City's calls for shift coverage.
 - 4. If the City has made a good faith effort to assign the work to existing bargaining unit members and there remains a minimum staffing requirement, the City may backfill the vacant shift with an employee from another bargaining unit.
- B. If the City determines there is a need to contract out bargaining unit work, the City agrees to promptly notify GU and meet and confer with GU at GU's earliest availability concerning the City's need to contract out bargaining unit work before taking such action. The parties agree that it will not be a violation of this provision to contract out bargaining unit work if: (1) the City has made a good faith effort to assign the work to existing bargaining unit members and a bona fide emergency need exists for such work to be done before the City can complete the recruitment process to fill the applicable position(s); or (2) the parties mutually agree otherwise.
- C. Bona fide emergencies include, but are not limited to:
 - 1. Water or sewer emergencies, including but not limited to broken water mains, power outages, water contamination, storage tank or equipment failure, chemical spills, and treatment plant breakdowns.
 - 2. Fallen trees or immediate removal of decayed/rotted trees in imminent danger of falling.

3. Plumbing and HVAC emergencies.
4. Street/road repair emergencies, such as severe potholes or sinkholes.
5. Natural disasters.

This moratorium on contracting out shall not apply to any contracts in effect on or prior to October 19, 2021 (the date tentative agreement was reached by both Parties related to the terms of this Side Letter #3).

This moratorium shall expire at 11:59 p.m. on December 31, 2021, and shall have no force or effect thereafter.

SECTION 6. Moratorium on Layoffs through December 31, 2021

The Parties agree to a moratorium on Article XI of the current MOU through December 31, 2021.

The Parties agree that no unit employee shall be subject to layoff through December 31, 2021.

This moratorium shall expire at 11:59 p.m. on December 31, 2021, and shall have no force or effect thereafter.

SECTION 7. Review of Financial Analysis Report

The Parties agree to meet in December 2021 to review the Financial Analysis Report. This report will include, but not be limited to the following: year-to-date revenue and expenditures, status of any grant or other funding applications, and the most recent revenue and expenditure projections. The purpose of this meeting will be to review the information and consider whether to continue and/or modify cost saving and employee protection measures.

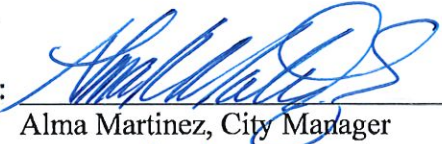
SECTION 8. Successor MOU Negotiations


The Parties agree to commence negotiations for a successor MOU to the current 2019-2022 MOU no later than April 1, 2022.

IN WITNESS THEREOF the Parties have caused the duly authorized representatives to execute this Side Letter #3 as of the dates stated below.

CITY OF EL MONTE

SEIU LOCAL 721, GENERAL UNIT

By: 
Alma Martinez, City Manager

By: 
Steve Koffroth, Chief Negotiator

Date: 11/1/2021

Date: 11/1/21

APPROVED AS TO FORM:

By: 
Richard Padilla, Assistant City Attorney