

Agenda Item No. (6)(B)(2)

REPORT OF THE ATTORNEY BOARD OF DIRECTORS MEETING OF APRIL 22, 2022

The Honorable Board of Directors Golden Gate Bridge, Highway and Transportation District

Honorable Members:

## <u>AUTHORIZE RATIFICATION OF MEMORANDUM OF UNDERSTANDING WITH UNION COALITION BARGAINING UNITS</u>

## Recommendation

It is recommended that the Board of Directors ratify the tentative agreement with the Union Coalition Bargaining Units. The term is from ratification through June 30, 2024, and the tentative agreement contains salary increases for all Union Coalition employees-represented classifications as follows:

- a) 1% salary adjustment effective upon approval;
- b) 3.5% salary adjustment effective July 1, 2022;
- c) 3.5% salary adjustment effective January 1, 2023; and,
- d) 3.5% salary adjustment effective July 1, 2023,

with the understanding that the cost of the salary adjustments authorized as part of this item will be funded with savings from salary savings for this fiscal year, and will be budgeted accordingly in future fiscal years.

## **Summary**

On April 4, 2022, District negotiators arrived at a tentative agreement with the Union Coalition, which includes all bargaining units with the exception of the Amalgamated Transit Union ("ATU") and the Painters' unit. Because other negotiation items were resolved in the short term agreement that was in effect from October 1, 2021 to January 31, 2022, the only items addressed in the tentative agreement are wages and the term of the agreement.

The tentative agreement includes a salary adjustment of 1% upon ratification by the Board or the individual unions, whichever occurs later, a 3.5% adjustment effective July 1, 2022, another 3.5% adjustment effective July 1, 2023, and finally a 3.5% adjustment effective July 1, 2023. The tentative agreement also provides to the Electricians the difference between these salary

adjustments and their settlement amounts. The tentative agreements provides an expiration date of June 30, 2024.

The Painters, who settled in September 2020, have a "me too" clause built into their agreement such that ratification of the Union Coalition agreement will trigger a corresponding salary adjustment. The agreement with ATU, which occurred in February 2022, expires on August 30, 2022. Negotiations with the ATU are scheduled to begin again in the coming months.

Since July 2019, these employees have received a single pay increase of 2.5 percent in October 2021, which has not kept salaries competitive. Approval of the multiyear salary increase set forth in the tentative agreement will help with employee recruitment and retention as it provides some financial certainty in a very uncertain landscape. It is recommended that the Board of Directors ratify the agreement.

Per Board policy, these recommended increases will be implemented the first day of the pay period in which the effective date falls.

## **Fiscal Impact**

The recommended increase in compensation will increase expenses by approximately \$350,000 for FY 21/22. Annually it will cost approximately \$1,675,900, including payroll fringe benefit costs. In FY 21/22, the increase expense would be absorbed in the existing budget. Future costs will be budgeted accordingly in future fiscal years.