



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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Consent
December 7, 2010

Honorable Mayor and
Members of the City Council

Title: Approval of Letters of Understanding with Recognized Employee
Organizations

Location/Council District: Citywide

Recommendation: Adopt: a Resolution authorizing the City Manager and/or the Director of Human Resources to approve modifications to the collective bargaining agreements that are within the parameters of authority delegated by the City Council and requiring City Attorney approval of the agreement as to form.

Contact: Geri Hamby, Director of Human Resources, 808-7173

Presenters: None

Department: Human Resources

Division: Labor Relations

Organization No: 08001511

Description/Analysis

Issue: City of Sacramento Resolution No. 2008-712 authorized the City Manager and the Director of Labor Relations to modify the collective bargaining agreements in the form of Letters of Understanding (LOUs). As a result of the reorganizations effected last fiscal year, the Department of Labor Relations was merged into the Department of Human Resources. Labor Relations is now a Division of the Department of Human Resources and no longer has a Director-level position. A Resolution approved by the City Council is required to delegate authority to the City Manager and the

Director of Human Resources. The recommended Resolution establishes parameters for the exercise of that authority. Moreover, LOUs are agreements that may bind the City to one-time and on-going costs as well as non-economic, operational and personnel practices. Accordingly, the Resolution recommended for approval by the City Council requires that the City Attorney approve all LOUs as to form.

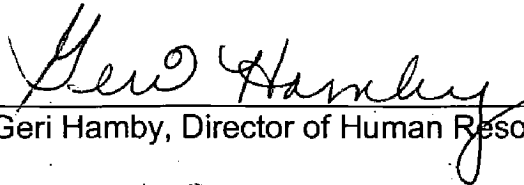
Policy Considerations: Approval of the Resolution by the City Council delegates authority to the City Manager and the Director of Human Resources to modify the collective bargaining agreements. This will satisfy the obligation to meet and confer with Recognized Employee Organizations (REOs) under the Meyers-Milias-Brown Act while supporting positive and collaborative labor relations. The recommended Resolution also provides that these agreements must be approved as to form by the City Attorney.

Environmental Considerations: Not applicable.

Rationale for Recommendation: The City regularly meets with REOs to discuss issues as they arise during the term of collective bargaining agreements. The discussion may result in agreements to modify or adjust the language or implementation of provisions of the collective bargaining agreements. These agreements are memorialized as LOUs and become part of the collective bargaining agreement. These modifications have not previously been presented to the City Council, while significant changes have always been adopted by the Council as formal Addenda to the collective bargaining agreements. It is recommended that the City Council authorize the City Manager to approve LOUs that do not exceed a \$100,000 cost threshold during the term of the collective bargaining agreement consistent with authority delegated to the City Manager for contracting and other financial commitments or agreements. It is further recommended that the Director of Human Resources be delegated authority to approve LOUs that do not involve economic or financial issues and that address operational, personnel or other matters that are the subject of collective bargaining. Finally, it is recommended that the City Attorney approve all LOUs as to form prior to execution of the agreement.

Financial Considerations: There are no costs associated with the delegation of authority to the City Manager and the Director of Human Resources. Future financial impacts may be created by the approval of LOUs that include increased costs up to the limit of the City Manager's authority.

Emerging Small Business Development (ESBD): Not applicable.

Respectfully Submitted by: 
Geri Hamby, Director of Human Resources

Approved by: 
Patti Bisharat, Interim Assistant City Manager

Recommendation Approved:


Gus Vina
Interim City Manager

APPROVED AS TO FORM:


CITY ATTORNEY

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RESOLUTION NO. _____

**AUTHORIZATION TO APPROVE LETTERS OF UNDERSTANDING WITH
RECOGNIZED EMPLOYEE ORGANIZATIONS**

BACKGROUND

- A. The City of Sacramento negotiates long-term collective bargaining agreements with the recognized employee organizations covering terms and conditions of employment.
- B. During the term of these agreements, it is beneficial to the City and the unions to modify the terms to meet operating needs and changes in the workplace.
- C. These modifications occur throughout the term of the collective bargaining agreements and are administered by the Director of Human Resources who has assumed labor relations responsibility for the City is therefore responsible for the oversight, implementation and administration of the Agreements.
- D. In order for the City Manager and the Director of Human Resources to reach mid-term agreements that are memorialized as Letters of Understanding, authority delegated by the City Council is required.
- E. Letters of Understanding must be approved as to form by the City Attorney.

**BASED ON THE FACTS FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Manager is authorized to make modifications to the collective bargaining agreements as determined to be in the best interest of the City and the operating needs of the departments. Modifications to the agreement must not exceed a \$100,000 cost threshold during the term of the collective bargaining agreement.
- Section 2. The Director of Human Resources is authorized to make modifications to the collective bargaining agreements as determined to be in the best interest of the City and the operating needs of the departments that do not involve economic or financial issues and that address operational, personnel or other matters that are the subject of collective bargaining.
- Section 3. All Letters of Understanding must be approved as to form by the City Attorney prior to execution by the City Manager or Director of Human Resources.