# PURSUANT TO IMPASSE RESOLUTION PROCEDURES A8.409-4, CITY AND COUNTY OF SAN FRANCISCO CHARTER

In the Matter of an Interest Arbitration

Between

CITY AND COUNTY OF SAN FRANCISCO,

and

SEIU LOCAL 1021

For the City:

LaWanna Preston

Employee Relations Manager

DHR, City and County of San Francisco

Jonathan Yank, Esq. Deputy City Attorney

For the Union:

Kerianne Steele, Esq.

Robert E. Szykowny, Esq. Weinberg, Roger Rosenfeld

David Canham

Regional Director, SEIU 1021

# Arbitration Board

Neutral Member:

David A. Weinberg

Arbitration Mediation and Conflict Resolution

Union Member:

Vincent A. Harrington Jr.

City Member:

Kate Howard

#### PROCEDURAL BACKGROUND

In accordance with the Impasse Resolution Procedures stated in Charter Section A8.409-4, the parties selected David A. Weinberg as the Neutral Chairperson of the Board of Arbitration. Kate Howard was selected by the City and County of San Francisco

ARBITRATION AWARD

(hereinafter "City") to be its Arbitration Board member, and Vincent A. Harrington Jr. was selected by the Service Employees International Union, Local 1021 (hereinafter "Union") to be its Arbitration Board Member.

The Arbitration Board held hearings in the City and County of San Francisco on April 22, 23, 24, 25, and April 29, 2019. The Arbitration Board also met in private mediation sessions in accordance with the impasse resolution procedures contained in Charter Section A8.409-4, on March 21, and April 15-19, 2019. After reaching agreements on a number of issues, the Chairperson directed the parties on April 25, 2019 to submit their last offer of settlement on each remaining issue in dispute. The parties mutually agreed to each submit a revised LBFO on the Union Security provision for consideration by the Board on April 29, 2019. The parties and the Arbitration Board agreed to allow amended LBFO proposals to be presented to the Board on May 6, 2019 for consideration as the parties' final offers for final determination by the Board.

The Board selected whichever last offer of settlement on that issue it finds by a preponderance of the evidence most nearly conforms to those factors traditionally taken into consideration in the determination of wages, hours, benefits and terms and conditions of public and private employment, including but not limited to: changes in the average consumer price index for goods and services; the wages, hours, benefits and terms and conditions of other employees in the City and County of San Francisco; health and safety of employees; the financial resources of the City and County of San Francisco, including a joint report to be issued annually on the City's financial condition for the next three fiscal years from the Controller, the Mayor's budget analyst and the budget analyst for the Board of Supervisors; other demands on the City and County's resources including limitations on the amount and use of revenues and expenditures; revenue projections; the power to levy taxes and raise revenue by enhancement or other means; budgetary reserves; and the City's ability to meet the costs of the decision of the Arbitration Board. In weighing each proposal under these factors, the Board also considered the tentative agreements reached by the parties which are incorporated herein by this reference.

#### PART I: ECONOMIC PROPOSALS

The Neutral Chairperson considered the total economic impact contained in the parties' final offers and the tentative agreements in making these determinations. Taken as a whole, the implementation of these economic items contained in the parties' final offers will enable the City to recruit and retain employees in a competitive urban environment, and it reflects the need to have employees maintain pace with cost of living increases particularly when economic conditions are robust. The final economic package will also begin to address the problems associated with the implementation during the recent recession of lower wage scales for the new Patient Care Assistant (hereinafter "PCA") classification. The evidence presented at the Arbitration supports the perspective that the City currently, and at least for the next two years will have the resources to support the requirements of the economic package, as well as support the increasing need for City services and addressing the challenges of homelessness and housing articulated by the City.

The Chairperson worked with the parties to accept compromises on a variety of the economic and non-economic issues raised during this process, so as to best meet the needs of the represented employees and the City. The parties submitted the following issues for resolution to the Arbitration Board, with their final offer on each issue. The parties mutually agreed on April 29, 2019 to withdraw their proposals on Callback/Holdover Pay, after it was originally submitted to the Arbitration Panel, and will revert to the current MOU language. The remaining issues are as follows:

#### **ISSUE #1- WAGES**

Union's LBFO:

Union Proposal #9 (AMENDED APRIL 24, 2019)

# ARTICLE III – PAY, HOURS AND BENEFITS

A. WAGES

255. Represented employees will receive the following base wage increases:

Effective July 1, 2019: 4.0%

Effective July 1, 2020: 4.0%

Effective July 1, 2021: 4.0%

Effective October 11, 2014: 3%

Effective October 10, 2015: 3.25%

Effective July 1, 2016, represented employees will receive a base wage increase between 2.25% and 3.25%, depending on inflation, and calculated as  $(2.00\% \le \text{CPI-U} \le 3.00\%) + 0.25\%$ , which is equivalent to the CPI-U, but no less than 2% and no greater than 3%, plus 0.25%.

In calculating CPI-U, the Controller's Office shall use the Consumer Price Index — All Urban Consumers (CPI-U), as reported by the Bureau of Labor Statistics for the San Francisco Metropolitan Statistical Area. The growth rate shall be calculated using the percentage change in price index from February 2015 to February 2016.

Effective July 1, 2017, represented employees will receive a base wage increase of 3%. Effective July 1, 2018, represented employees will receive a base wage increase of 3% unless the March 2018 Joint Report, prepared by the Controller, the Mayor's Budget

Director and the Board of Supervisors' Budget Analyst, projects a budget deficit for fiscal year 2018-2019 that exceeds \$200 million, in which case the base wage adjustments of 3% due on July 1, 2018, will be delayed by six (6) months until the pay period including January 1, 2019.

The City agrees that the provision in the preceding paragraph that delays implementation of the July 1, 2018 scheduled wage increase because of projected shortfalls in the March 2018 Joint Report shall not be used as evidence or precedent in any future interest

arbitration proceedings under San Francisco Charter Sections A8.409 or 8A.104. This does not preclude the City from making a similar proposal in the future, and from supporting it with other evidence.

256. All base wage calculations shall be rounded to the nearest whole dollar, bi-weekly salary.

#### **CITY'S LBFO:**

Issue #1: Article III.A. – Wages

255. Represented employees will receive the following base wage increases:

Effective October 11, 2014: 3%

Effective October 10, 2015: 3.25%

Effective July 1, 2016, represented employees will receive a base wage increase between 2.25% and 3.25%, depending on inflation, and calculated as  $(2.00\% \le \text{CPI-U} \le 3.00\%) + 0.25\%$ , which is equivalent to the CPI-U, but no less than 2% and no greater than 3%, plus 0.25%.

In calculating CPI-U, the Controller's Office shall use the Consumer Price Index All Urban Consumers (CPI-U), as reported by the Bureau of Labor Statistics for the San Francisco Metropolitan Statistical Area. The growth rate shall be calculated using the percentage change in price index from February 2015 to February 2016.

Effective July 1, 2017, represented employees will receive a base wage increase of 3%.

Effective July 1, 2018, represented employees will receive a base wage increase of 3% unless the March 2018 Joint Report, prepared by the Controller, the Mayor's Budget Director and the Board of Supervisors'

Budget Analyst, projects a budget deficit for fiscal year 2018-2019 that exceeds \$200 million, in which case the base wage adjustments of 3% due on July 1, 2018, will be delayed by six (6) months until the pay period including January 1, 2019.

The City agrees that the provision in the preceding paragraph that delays implementation of the July 1, 2018 scheduled wage increase because of projected shortfalls in the March 2018 Joint Report shall not be used as evidence or precedent in any future interest arbitration proceedings under San Francisco Charter Sections A8.409 or 8A.104. This does not preclude the City from making a similar proposal in the future, and from supporting it with other evidence.

**Effective July 1, 2019:** 3.0 % **Effective December 28, 2019:** 1.0 %

Effective July 1, 2020, represented employees will receive a base wage increase of 3.0%, except that if the March 2020 Joint Report, prepared by the Controller, the Mayor's Budget Director, and the Board of Supervisors' Budget Analyst, projects a budget deficit for fiscal year 2020-2021 that exceeds \$200 million, then the base wage adjustment due on July 1, 2020, will be delayed by approximately six (6) months, to be effective December 26, 2020.

Effective December 26, 2020, represented employees will receive a base wage increase of 0.5%, except that if the March 2020 Joint Report, prepared by the Controller, the Mayor's Budget Director, and the Board of Supervisors' Budget Analyst, projects a budget deficit for fiscal year 2020-2021 that exceeds \$200 million, then the base wage adjustment due on December 26, 2020, will be delayed by approximately six (6) months, to be effective close of business June 30, 2021.

Effective July 1, 2021, represented employees will receive a base wage increase of 3.0%, except that if the March 2021 Joint Report, prepared by the Controller, the Mayor's Budget Director, and the Board of Supervisors' Budget Analyst, projects a budget deficit for fiscal year 2021-2022 that exceeds \$200 million, then the base wage adjustment due on July 1, 2021, will be delayed by approximately six (6) months, to be effective January 8, 2022.

Effective January 8, 2022, represented employees will receive a base wage increase of 0.5%, except that if the March 2021 Joint Report, prepared by the Controller, the Mayor's Budget Director, and the Board of Supervisors' Budget Analyst, projects a budget deficit for fiscal year 2021-2022 that exceeds \$200 million, then the base wage adjustment due on January 8, 2022, will be delayed by approximately six (6) months, to be effective close of business on June 30, 2022.

256. All base wage calculations shall be rounded to the nearest whole dollar, bi-weekly salary.

# RULING: The Panel accepts the City's final offer on Union Proposal #9, Wages.

The City's final offer when taking into account their offer on equity adjustments, most nearly conforms to the requirements listed in the Charter for consideration by the Arbitration Board. The proposal offered by the City was sufficient to keep pace with the recent Consumer Price Index (hereinafter "CPI"), to continue to be a regional leader on wages and benefits, as well as considering the wages, hours, benefits and terms and conditions of other employees in the City and County of San Francisco; and met the other factors to be considered by the Board as listed in the Charter. While the Union's offer clearly met the needs of the employees in their Unit, the City's offer most conformed to all the Charter factors.

David Weinberg, Neutral Chairperson-Concur

May 7, 2019

Kate Howard, City Panelist, concur/dissent

Vincent A. Harrington Jr., Union Panelist, concurdissent

# **ISSUE #2-EQUITY ADJUSTMENTS**

#### Union's LBFO:

City Counter #1 to UP014 – Restoration of Deskilling Classifications and UP015 – Pay Equity (2303/2302 Only)

UNION COUNTER - APRIL 24, 2019

ARTICLE III – PAY, HOURS AND BENEFITS
D. ADDITIONAL COMPENSATION & PREMIUM PAY

389a. Effective July 1, 2019 2020, all 2303 Patient Care Assistants shall have access to Steps 6 through 10 of the salary scale.

		<u>2303</u>
<u>Step</u>	<u>2303 Steps</u>	<u>Hourly</u>
<u> 2302 – Step 5</u>	<u>10</u>	<u>37.9500</u>
<u> 2302 – Step 4</u>	<u>9</u>	<u>36.1500</u>
<u>2302 – Step 3</u>	<u>8</u>	<u>34.4250</u>
<u> 2302 – Step 2</u>	<u> </u>	<u>32.7750</u>
<u> 2302 – Step 1</u>	<u>6</u>	<u>31.2250</u>
<u> 2303 – Step 5</u>	<u>5</u>	<u>30.1500</u>
<u> 2303 – Step 4</u>	<u>4</u>	<u>28.7250</u>
<u> 2303 – Step 3</u>	<u>3</u>	<u>27.3625</u>
2303 – Step 2	<u>2</u>	<u> 26.0625</u>
<u> 2303 – Step 1</u>	<u>1</u>	<u>24.8125</u>

- 389b. Current incumbents in class 2303 who have been at Step 5 for one (1) year or more of service as of July 1, 2020 2019 will advance one additional step for each year of service in the classification over five (5) years on July 1, 2019 will advance to Step 6 on July 1, 2020. (For example an incumbent in class 2303 with eight years of service completed in the class will advance three steps on July 1, 2019.) Employees at Step 5 with less than one year of service at Step 5 as of July 1, 2019 2020 shall advance to Step 6 on their anniversary date. All other employees will advance to the next step pursuant to Article III. I. Seniority Increments.
- 389c. Effective July 1, 2019, Step 1 of the class 2303 salary schedule will be eliminated. Step 2 (as of June 30, 2019) will be the new Step 1 and all 2303 employees earning less placed at that step.
- 389d. Effective July 1, 2020, Step 1 of the class 2303 salary schedule will be eliminated. Step 3 (as of June 30, 2019) will be the new Step 1 and all 2303 employees earning less placed at that step.
- 389e. Effective June 30, 2021, Step 1 of the class 2303 salary schedule will be eliminated. Step 4 (as of June 30, 2019) will be the new Step 1 and all 2303 employees earning less placed at that step.
- 389f. Employees currently receiving the Layoff Impact Premium shall remain at Step 10.

# City's LBFO Equity Adjustment – 2303 Patient Care Assistant:

Issue #12: Article III.D. – Pay Equity – 2303 Patient Care Assistants

# 389a. Effective July 1, 2019, all 2303 Patient Care Assistants shall have access to Steps 6 through 10 of the salary scale.

		<u>2303</u>
<u>Step</u>	<u>2303 Steps</u>	<u>Hourly</u>
<u> 2302 – Step 5</u>	<u>10</u>	<u>37.9500</u>
<u> 2302 – Step 4</u>	<u>9</u>	<u>36.1500</u>
<u> 2302 – Step 3</u>	<u>8</u>	<u>34.4250</u>
<u> 2302 – Step 2</u>	<u> </u>	<u>32.7750</u>
2302 - Step 1	<u>6</u>	<u>31.2250</u>
<u> 2303 – Step 5</u>	<u>5</u>	<u>30.1500</u>
2303 – Step 4	<u>4</u>	<u>28.7250</u>
<u> 2303 – Step 3</u>	<u>3</u>	<u>27.3625</u>
2303 – Step 2	<u>2</u>	<u> 26.0625</u>
<u> 2303 – Step 1</u>	1	<u>24.8125</u>

389b. Current incumbents in class 2303 who have been at Step 5 for two (2) years or more of service as of July 1, 2019 will advance to Step 7 on July 1, 2019. Current incumbents in class 2303 who have been at Step 5 for one (1) year or more of service as of July 1, 2019 will advance to Step 6 on July 1, 2019. Employees at Step 5 with less than one (1) year of service at Step 5 as of July 1, 2019 shall advance to Step 6 on their anniversary date. All other employees will advance to the next step pursuant to Article III. I. Seniority Increments.

# 389e. Employees currently receiving the Layoff Impact Premium shall remain at Step 10.

# RULING: The Panel accepts the City's final offer on Equity Adjustment 2303 PCA.

The City's final offer is most consistent with the requirements stated in the Charter, and listed in the Procedural Background to this Award. The City's final offer made significant progress to address those classifications which were under market, and it began to address the problems created when the City implemented a new lower wage scale for the Certified Nursing Assistant ("CNA") classification during the recent recession. The evidence showed that the work of the new PCA classification is essentially the same as the higher paid CNA classification, and the Union made a convincing argument that workers essentially had their compensation reduced with no change in work duties. While it is true that the PCA classification may not be undercompensated in the regional market, it is not consistent with good labor relations and basic equity to have employees continue to perform the same job and have their salaries reduced, except when necessary due to dire economic conditions. Those conditions no longer exist, and the City's proposal will begin to bring those workers in the classification back to their former pay scale, although more work will need to be done in the coming years beyond this contract period.

David Weinberg, Neutral Chairperson-Concur
May 6, 2019

Kate Howard, City Panelist, concur/dissent

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Vincent A. Harrington Jr., Union Panelist, concur/dissent

ISSUE: EQUITY ADJUSTMENT 8208/8210 PARK RANGER CLASS

Union's LBFO:

**Union Proposal #15** 

Effective July 1, 2019, employees in the 8208 and 8210 classifications shall receive an equity adjustment of 8% to all steps on the respective salary schedules.

City's LBFO Equity Adjustment – 8208/8210 Park Ranger Class:

Article III.D. – Pay Equity – 8208 Park Ranger and 8210 Head Park Ranger

8208 Park Ranger and 8210 Head Park Ranger

XXX. Effective July 1, 2020, employees in Classifications 8208 Park Ranger and 8210

Head Park Ranger shall receive a five percent (5%) increase to the base rate of pay.

RULING: The Panel accepts the City's final offer on Equity Adjustment 8208/8210, PARK RANGER AND HEAD PARK RANGER.

The City's final offer is most consistent with the requirements stated in the Charter, and listed in the Procedural Background to this Award. While the Union's offer came closer to bringing this classification equal to or above the market, when taking into consideration the other factors in the Charter and the total costs of the package, the City's offer was selected.

David Weinberg, Neutral Chairperson- Concur

May 6, 2019 Kate Howard, City Panelist, concur dissent eputeopum Vincent A. Harrington Jr., Union Panelist, concur/dissent ISSUE: EQUITY ADJUSTMENT 8300 SHERIFF'S CADET Union's LBFO: **Union Proposal #15** Effective July 1, 2019, employees in the 8300 classification shall receive an equity adjustment of 8% to all steps on the salary schedule. City's LBFO Equity Adjustment – 8300 Sheriff's Cadet: Article III.D. – Pay Equity – 8300 Sheriff's Cadet 8300 Sheriff's Cadet XXX. Effective July 1, 2020, employees in Classification 8300 Sheriff's Cadets shall receive a five percent (5%) increase to the base rate of pay. The Panel accepts the City's final offer on Equity Adjustment 8300. **RULING:** The City's final offer is most consistent with the requirements stated in the Charter, and listed in the Procedural Background to this Award. While the Union's offer came closer to bringing this classification equal to or above the market, when taking into consideration the other factors in the Charter, and the total costs of the package, the City's offer was selected. David Weinberg, Neutral Chairperson- Concur May 6, 2019 Kate Howard, City Panelist, concur dissent Vincent A. Harrington Jr., Union Panelist, concurdissent

# ISSUE: EQUITY ADJUSTMENT 8211 SUPERVISING BUILDING AND GROUNDS PATROL OFFICER

Union' LBFO:

**Union Proposal #15** 

Effective July 1, 2019, employees in Classification 8211 Supervising Building and Grounds Patrol Officer shall receive a three percent (3%) increase to the base rate of pay. (5/6/19)

City's LBFO Equity Adjustment – 8211 Supervising Building and Grounds Patrol Officer:

Article III.D. – Pay Equity – 8211 Supervising Building Ground Patrol Officer

The panel should reject the Union's proposal.

**RULING:** The Panel accepts the Union's final offer on Equity Adjustment 8211.

The Union's final offer is most consistent with the requirements stated in the Charter, and listed in the Procedural Background to this Award. The equity adjustment is warranted under this criteria as stated in the Charter.

David Weinberg, Neutral Chairperson- Concur

May 6, 2019

Kate Howard, City Panelist, concur dissent

Vincent A. Harrington Jr., Union Panelist, concur/dissent

# ISSUE: EQUITY ADJUSTMENT 2706 HOUSEKEEPING FOOD SERVICE CLEANER

Union's LBFO:

**Union Proposal #15** 

Effective July 1, 2019, a Step 6 above the current Step 5 shall be added to the salary schedule for the 2706 classification.

City's LBFO Equity Adjustment – 2706 Housekeeping Food Service Cleaner:

Article III.D. – Pay Equity – 2706 Housekeeper/Food Service Cleaner

The panel should reject the Union's proposal.

RULING: The Panel accepts the City's final offer on Equity Adjustment 2706.

The City's final offer is most consistent with the requirements stated in the Charter, and listed in the Procedural Background to this Award. While this classification certainly performs difficult work, the Union did not have sufficient proof to show this classification was under market or needed an equity adjustment.

David Weinberg, Neutral Chairperson- Concur

May 6, 2019

Kate Howard, City Panelist, concur/dissent

Vincent A. Harrington Jr., Union Panelist, concur/dissent

**ISSUE: LONGEVITY PREMIUM** 

Union's LBFO:

**UP004 – Longevity Premium** 

UNION PROPOSAL AMENDED APRIL 25, 2019

ARTICLE III – PAY, HOURS AND BENEFITS

# D. ADDITIONAL COMPENSATION AND PREMIUM PAY

# **Longevity Premium**

- 358. Effective July 1, 1995- Notwithstanding the provisions of sub-sections (1), (2) or (3) of Article III.G. SALARY STEP PLAN, after completion of ten (10) years of service for the City and thereafter in any classification an employee shall be granted an additional thirty fifty cents (\$.50) (\$.30) per hour longevity increment.
- 359. Effective July 1, 1997: An employee who voluntarily moves to another classification shall not be eligible for longevity pay until he/she has served ten (10) continuous years in the classification. Notwithstanding the preceding sentence, an employee who currently receives longevity pay shall continue to receive longevity pay, unless he/she voluntarily moves to another classification. Employees shall not lose longevity pay as a result of reverting to an underlying permanent Civil Service appointment due to layoff. For the purposes of this section, if an employee is laid off, time in the classification from which the employee was laid off shall count towards ten years of continuous service in the underlying classification. For the purposes of this section, if an employee's class is consolidated, time in the consolidated classification shall count towards ten years of continuous service in the new classification.

# City's LBFO:

# Article III.D. – Longevity Premium

# Longevity Premium

- 358. Effective July 1, 1995- Notwithstanding the provisions of sub-sections (1), (2) or (3) of Article III.G. SALARY STEP PLAN, after completion of ten (10) years of service for the City and thereafter in any classification an employee shall be granted an additional thirty cents (\$.30) per hour longevity increment.
- 359. Effective July 1, 1997: An employee who voluntarily moves to another classification shall not be eligible for longevity pay until he/she has served ten (10) continuous years in the classification. Notwithstanding the preceding sentence, an employee who currently receives longevity pay shall continue to receive longevity pay, unless he/she voluntarily moves to another classification. Employees shall not lose longevity pay as a result of reverting to an underlying permanent Civil Service appointment due to layoff.

# RULING: The Panel accepts the City's final offer on Union Proposal #4, Longevity Premium.

The City's final offer is most consistent with the requirements stated in the Charter, and listed in the Procedural Background to this Award. The Neutral Chairperson believes this decision best reflects the Charter requirements and the concept that most of the

economic enhancements should be placed in the general wage scale, those classifications that were under market, and the PCA classification, as opposed to the longevity premium.

David Weinberg, Neutral Chairperson- Concur

May 6, 2019

Kate Howard, City Panelist concur dissent

Vincent A. Harrington Jr., Union Panelist, concur dissent

**ISSUE: NOTARY PREMIUM** 

Union's LBFO:

Union Proposal #50 (Amended - April 25, 2019) Notary Premium (NEW SECTION TO BE ADDED TO ARTICLE III OF MOU)

###. All employees who are licensed as a Notary Public by the State of California and directed to act as a notary by the Appointing Officer or designee shall receive a premium of \$10.00 per day for all days performing such work.

City's LBFO:

Notary Premium

The panel should reject the Union's proposal.

RULING: The Panel accepts the City's final offer on Union Proposal #50, Notary Premium.

The City's final offer is most consistent with the requirements stated in the Charter, and listed in the Procedural Background to this Award. The Neutral Chairperson believes this decision best reflects the Charter requirements and the concept that most of the economic enhancements should be placed in the general wage scale, those classifications that were under market, and the PCA classification, as opposed to the notary premium.

David Weinberg, Neutral Charperson- Concur May 6, 2019

Kate Howard, City Panelist, concur/dissent

Vincent A. Harrington Jr., Union Panelist, concur dissent

ISSUE: PRESSURE WASHING TRAINING, EQUIPMENT AND PREMIUM

Union's LBFO:

Union Proposal #45
Pressure Washing Training, Equipment, and Premium

(PROPOSED NEW SECTION TO BE ADDED TO ARTICLE III OF MOU)

Employees that are required to be medically certified by the Department of Public Health in the use of protective equipment in conjunction with the performance of pressure washing duties shall receive a (5%) premium when assigned and engaged in pressure washing.

City's LBFO:

Issue #10: Pressure Washing Training, Equipment, and Premium

The panel should reject the Union's proposal.

RULING: The Panel accepts the Union's final offer on Union #45, Pressure Washing Premium.

The Union's final offer is most consistent with the requirements stated in the Charter, and listed in the Procedural Background to this Award. It is consistent with normal labor relations that certain positions receive a premium when performing especially difficult job functions. This job meets that requirement.

David Weinberg, Neutral Chairperson- Condur

May 6, 2019

Kate Howard, City Panelist, concur dissent

Vincent A. Harrington Jr., Union Panelist, concur/dissent

#### PART II: NON-ECONOMIC ISSUES

The parties during this Interest Arbitration process reached many tentative agreements and narrowed their differences on the remaining outstanding non-economic issues. The decision of the Arbitration Board on these issues takes into consideration the factors listed in Charter Section A8.409-4-(d). It is the Chairperson's view that in interest arbitration the party seeking a change in the status quo bears the burden to support the need for change in contractual language.

**ISSUE: REGULAR START TIME** 

Union's LBFO:

Union Proposal #39 (AMENDED April 25, 2019 at 7:45 p.m.) Regular Start Time

(PROPOSED NEW SECTION TO BE ADDED TO ARTICLE III – PAY, HOURS AND BENEFITS, B. WORK SCHEDULES)

###. All employees in the Department of Public Health shall have one regular start time for every day of employment in the same week (Saturday to Friday), including but not limited to "variable shift" employees. If an employee has voluntarily requested an alternate work schedule that does not meet this requirement, and the City has granted that request, the voluntary alternate work schedule shall not be subject to the requirements of this section.

City's LBFO:

Regular Start Time

The panel should reject the Union's proposal.

# **RULING:** The Panel accepts the Union's final offer on Union #39, Regular Start Time.

The Union's final offer is most consistent with the requirements stated in the Charter, and listed in the Procedural Background to this Award. The Neutral Chairperson believes that the Union proposal for employees to have notice of their regular, but variable schedule at the same time as other department employee schedules is reasonable and supports the delivery of good service to the citizens of San Francisco. The evidence and testimony at the Hearing indicated that this was not a high burden to place on the Department.

David Weinberg, Neutral Chairperson- Concur

May 6, 2019

Kate Howard, City Panelist, concur dissent

Vincent A. Harrington Jr., Union Panelist, concur/dissent

**ISSUE: NO WORK STOPPAGE** 

# City's LBFO:

Article I.D. – No Work Stoppages

# I. D. NO WORK STOPPAGE

14. It is mutually agreed and understood that during the period this Agreement is in force and effect the Union will not authorize or engage in any strike, **sympathy strike**, slowdown, or work stoppage. Represented employees are also bound by the above. The City agrees not to conduct a lockout against any of the employees covered by this agreement during the term of this Agreement.

# Union's LBFO:

Union rejects the City proposal CW003 - No Work Stoppage.

RULING: The Panel accepts the Union's final offer on City Proposal #3, No Work Stoppage.

The Union's final offer is most consistent with the requirements stated in the Charter, and listed in the Procedural Background to this Award. The Neutral Chairperson believes that the City has not made a compelling argument for this contractual change to be implemented by an Interest Arbitrator, and additionally there is a reasonable doubt in the Chairperson's mind that such a change would be in accordance with current applicable law.

David Weinberg, Neutral Chairperson- Concur

May 6, 2019

Kate Howard, City Panelist, concur dissent

Vincent Harrington, Union Panelist, concur/dissent

**ISSUE: UNION SECURITY** 

# Union's LFBO:

Union Counter to City Counter #4 to UP001 – Union Security (4/29/19)(amended 5/6/19)

CW004 – Union Security

#### ARTICLE I - REPRESENTATION

# F. UNION SECURITY

# **Application**

- 17. Except as provided otherwise herein, and in accordance with applicable federal, state and local law, the provisions of this Section shall apply to all employees of the City in all classifications represented by SEIU the Union. Local, either jointly or individually, in representation units 22, 23, 24, 25, 26, and 27, when on paid status, except those mutually designated classifications and mutually designated individual on-call employees who are employed for less than 20 hours per week. The provisions of this Section shall not apply to individual employees of the City in representation units 22, 23, 24, 25, 26, and 27 who have been properly and finally determined to be management employees pursuant to Section 16.208 of the Employer-Employee Relations Ordinance.
- 18. When the Employee Relations Director receives a request from a department head to designate position(s) as management, the Employee Relations Director shall give the Union notice of such request. The Union shall have ten (10) working days within which to request a meeting to discuss the requested designation(s). Upon request of the Union, the Employee Relations Director and the Union shall meet to discuss the requested designation(s). In accordance with Section 16.208 of the Employee Relations Ordinance, the Employee Relations Director shall thereafter approve or disapprove the requested designation(s).
- 19. If the Union disagrees with such designation(s), the Union may submit the matter to an Administrative Law Judge for hearing and final determination as provided in the Employee Relations Ordinance. The Union and the City may jointly request that the assigned Administrative Law Judge have a labor relations background.
- 20. Designation(s) of position(s) by the Employee Relations Director as management, for which no challenge has been filed by the Union shall result in termination of agency shop fees if applicable. Challenges of designation(s) by the Union shall result in agency shop fees being placed in escrow until the disagreement is resolved by an Administrative Law Judge. Following final determination by the

Administrative Law Judge, the fees shall be dispersed to either the employee or the Union depending on who prevails.

# Agency Shop

21. For the term of this Agreement, all current and future employees of the City as described in paragraph 0 above except as set forth below, shall, as a condition of continued employment, become and remain a member of the Union or, in lieu thereof, shall pay a service fee to the Union. Such service fee payment shall not exceed the standard initiation fee, periodic dues and general assessments (hereinafter collectively termed membership fees) of the Union representing the employee's classification. The service fee payment shall be established annually by the Union, provided that such agency shop service fee will be used by the union only for the purposes of collective bargaining, contract administration and pursuing matters affecting wages, hours and other terms and conditions of employment.

# **Religious Exemption**

22. If an employee in a classification covered by this Agreement sincerely holds religious beliefs that include conscientious objections to joining or financially supporting a labor organization, the employee shall not be required to pay the service fee. In lieu of paying the service fee, the employee shall pay a charitable contribution equal to the service fee to one of the three following charitable organizations: (1) United Way of the Bay Area, (2) Community Health Charities of California (San Francisco/East Bay Branch), or (3) Local Independent Charities. The charitable contribution shall be paid in the amounts and at the times the service fee would otherwise be paid if the employee were not exempt under this paragraph. The employee shall provide the City and the Union with an acknowledgement of receipt from the charitable organization or other satisfactory evidence that the charitable contribution has been paid.

# Payroll Deductions

- 23. The Union shall provide the Employee Relations Director and the City Controller with a complete list of the City classifications subject to this section represented by each constituent union of the SEIU Joint Council and a current statement of membership fees. Such list of represented classifications and statement of membership fees shall be amended as necessary. The Controller may take up to 30 days to implement such changes. The Controller shall make required membership fee or service fee payroll deductions solely for the Union representing the employee's classification as designated on the list submitted by the Union. An employee may, on a voluntary basis, request a payroll deduction for Union membership in another SEIU Local Union, in addition to the service fee deduction.
- 24. Each pay period, the Controller shall make membership fee or service fee deductions, as appropriate, from the regular periodic payroll warrant of each City employee who is a Union member. In order for the Controller to deduct membership dues, the Union must certify to the City, in accordance with procedures established by the Controller's Office in effect as of April 29, 2019,

that the Union has and will maintain authorizations for the dues deductions, signed by the employees from whose salary or wages the City will make the dues deductions. described in paragraph 0 above. Nothing in this paragraph or Paragraph ##, below, obligates SEIU Local 1021 to begin to pay.

- 25. Service fees from nonmembers shall be collected by payroll deduction pursuant to Administrative Code Section 16.90. Failure to comply with this Section shall be grounds for termination. The Union, at its option, may elect to waive its right to demand termination and instead utilize judicial process to compel payment.
- 26. Effective with the first complete pay period worked by an employee newly employed in a classification described paragraph 0 above and each pay period thereafter, the Controller shall make membership fee or service fee and initiation deductions, as appropriate, from the regular payroll warrant of each such employee.
- 27. Nine (9) working days following payday the Controller will promptly pay over to the appropriate Union all sums withheld for membership <u>dues</u> or service fees. The Controller shall also provide with each payment a list of employees paying service fees <u>dues</u>. All such lists shall contain the employee's name, employee number, classification, department number and the amount deducted. A list of all employees in represented classes shall be provided to the Union monthly.
- 28. Nothing in this Section shall be deemed to have altered the City's current obligation to make insurance program or political action deductions when requested by the employee.
- 29. The <u>U</u>mion shall be entitled to collect, through the payroll deduction method, membership dues, COPE deductions, and any special membership assessments, and through that system, may make changes as may be required, from time-to-time, subject to the Union providing certification that it has and will maintain an authorization for the applicable deductions, signed by the employees from whose salary or wages the City will make the deductions. The Union shall give the Controller appropriate written notice of any changes in existing deductions, or the establishment of new bases for deduction, in accordance with procedures established by the Controller's Office in effect as of April 29, 2019.
- 30. At the time of fingerprint processing, the City will provide new permanent and provisional employees <u>represented by SEIU Local 1021</u> with a Union-provided packet of information regarding the Union and agency shop. The Union will provide this information in sealed envelopes, one of which will be distributed to each new employee. The City may advise such employees that the packet is being provided pursuant to a Memorandum of Understanding with the Union and the contents are neither known nor endorsed by the City.

**Employees Exempt from Agency Shop** 

31. Employees covered by this Agreement not subject to the agency shop requirement set forth above and who have voluntarily joined the Union shall, for the administrative convenience of the parties, be permitted to revoke an authorization for the deduction of union dues during the month of January of any year only. Any request for such revocation shall be delivered in person to the Office of the Controller or may be sent by U.S. Mail to the Controller, Payroll/Personnel Services Division (PPSD), One South Van Ness Avenue, 8th Floor, San Francisco, CA 94103. The City shall deliver a copy of any revocation notice to the Union not later than March 1.

## Financial Reporting

Annually, the Union will provide an explanation of the fee and sufficient financial information to enable the service fee payer to gauge the appropriateness of the fee. The Union will provide a reasonably prompt opportunity to challenge the amount of the fee before an impartial decision maker not chosen by the Union and will make provision for an escrow account to hold amounts reasonably in dispute while challenges are pending.

# Indemnification

33. The Union agrees to indemnify and hold harmless the City for any loss or damage arising from the operation of this Agreement.

# City's LBFO:

City Counter #5 to UP001 – Union Security CW004 – Union Security

# ARTICLE I - REPRESENTATION

# F. UNION SECURITY

# Application

- 17. Except as provided otherwise herein, and in accordance with applicable federal, state and local law, the provisions of this Section shall apply to all employees of the City in all classifications represented by SEIU the Union. Local, either jointly or individually, in representation units 22, 23, 24, 25, 26, and 27, when on paid status, except those mutually designated classifications and mutually designated individual on-call employees who are employed for less than 20 hours per week. The provisions of this Section shall not apply to individual employees of the City in representation units 22, 23, 24, 25, 26, and 27 who have been properly and finally determined to be management employees pursuant to Section 16.208 of the Employer-Employee Relations Ordinance.
- 18. When the Employee Relations Director receives a request from a department head to designate position(s) as management, the Employee Relations Director shall give the Union notice of such request. The Union shall have ten (10) working days

within which to request a meeting to discuss the requested designation(s). Upon request of the Union, the Employee Relations Director and the Union shall meet to discuss the requested designation(s). In accordance with Section 16.208 of the Employee Relations Ordinance, the Employee Relations Director shall thereafter approve or disapprove the requested designation(s).

- If the Union disagrees with such designation(s), the Union may submit the matter to an Administrative Law Judge for hearing and final determination as provided in the Employee Relations Ordinance. The Union and the City may jointly request that the assigned Administrative Law Judge have a labor relations background.
- Designation(s) of position(s) by the Employee Relations Director as management, for which no challenge has been filed by the Union shall result in termination of agency shop fees if applicable. Challenges of designation(s) by the Union shall result in agency shop fees being placed in escrow until the disagreement is resolved by an Administrative Law Judge. Following final determination by the Administrative Law Judge, the fees shall be dispersed to either the employee or the Union depending on who prevails.

# Agency Shop

21. For the term of this Agreement, all current and future employees of the City as described in paragraph 0 above except as set forth below, shall, as a condition of continued employment, become and remain a member of the Union or, in lieu thereof, shall pay a service fee to the Union. Such service fee payment shall not exceed the standard initiation fee, periodic dues and general assessments (hereinafter collectively termed membership fees) of the Union representing the employee's classification. The service fee payment shall be established annually by the Union, provided that such agency shop service fee will be used by the union only for the purposes of collective bargaining, contract administration and pursuing matters affecting wages, hours and other terms and conditions of employment.

# **Religious Exemption**

If an employee in a classification covered by this Agreement sincerely holds 22. religious beliefs that include conscientious objections to joining or financially supporting a labor organization, the employee shall not be required to pay the service fee. In lieu of paying the service fee, the employee shall pay a charitable contribution equal to the service fee to one of the three following charitable organizations: (1) United Way of the Bay Area, (2) Community Health Charities of California (San Francisco/East Bay Branch), or (3) Local Independent Charities. The charitable contribution shall be paid in the amounts and at the times the service fee would otherwise be paid if the employee were not exempt under this paragraph. The employee shall provide the City and the Union with an acknowledgement of receipt from the charitable organization or other satisfactory evidence that the charitable contribution has been paid.

# Payroll Deductions

- 23. The Union shall provide the Employee Relations Director and the City Controller with a complete list of the City classifications subject to this section represented by each constituent union of the SEIU Joint Council and a current statement of membership fees. Such list of represented classifications and statement of membership fees shall be amended as necessary. The Controller may take up to 30 days to implement such changes. The Controller shall make required membership fee or service fee payroll deductions solely for the Union representing the employee's classification as designated on the list submitted by the Union. An employee may, on a voluntary basis, request a payroll deduction for Union membership in another SEIU Local Union, in addition to the service fee deduction.
- 24. Each pay period, the Controller shall make membership fee or service fee deductions, as appropriate, from the regular periodic payroll warrant of each City employee who is a Union member. In order for the Controller to deduct membership dues, the Union must certify to the City, in accordance with procedures established by the Controller's Office in effect as April 29, 2019, and as may be modified from time to time as provided in this Section, that each employee subject to deduction of membership dues is a bona fide member of the Union, and that the Union has and will maintain authorizations for the dues deductions, signed by the employees from whose salary or wages the City will make the dues deductions. described in paragraph 0 above. The Controller may update its procedures upon reasonable notice to the Union, and if requested, will meet to discuss the proposed changes before finalizing the updated procedures.
- 25. Service fees from nonmembers shall be collected by payroll deduction pursuant to Administrative Code Section 16.90. Failure to comply with this Section shall be grounds for termination. The Union, at its option, may elect to waive its right to demand termination and instead utilize judicial process to compel payment.
- 26. Effective with the first complete pay period worked by an employee newly employed in a classification described paragraph 0 above and each pay period thereafter, the Controller shall make membership fee or service fee and initiation deductions, as appropriate, from the regular payroll warrant of each such employee.
- 27. Nine (9) working days following payday the Controller will promptly pay over to the appropriate Union all sums withheld for membership <u>dues</u> or service fees. The Controller shall also provide with each payment a list of employees paying service fees <u>dues</u>. All such lists shall contain the employee's name, employee number, classification, department number and the amount deducted. A list of all employees in represented classes shall be provided to the Union monthly.
- 28. Nothing in this Section shall be deemed to have altered the City's current obligation to make insurance program or political action deductions when requested by the employee.

- 29. The <u>U</u>mion shall be entitled to collect, through the payroll deduction method, membership dues, COPE deductions, and any special membership assessments, and through that system, may make changes as may be required, from time-to-time, subject to the Union providing certification that it has and will maintain an authorization for the applicable deductions, signed by the employees from whose salary or wages the City will make the deductions. The Union shall give the Controller appropriate written notice of any changes in existing deductions, or the establishment of new bases for deduction, in accordance with procedures established by the Controller's Office in effect as of April 29, 2019, and as may be modified from time to time as provided in this Section.
- 30. At the time of fingerprint processing, the City will provide new permanent and provisional employees in those units listed in Appendix "A" with a Union-provided packet of information regarding the Union and agency shop. The Union will provide this information in sealed envelopes, one of which will be distributed to each new employee. The City may advise such employees that the packet is being provided pursuant to a Memorandum of Understanding with the Union and the contents are neither known nor endorsed by the City.

# **Employees Exempt from Agency Shop**

31. Employees covered by this Agreement not subject to the agency shop requirement set forth above and who have voluntarily joined the Union shall, for the administrative convenience of the parties, be permitted to revoke an authorization for the deduction of union dues during the month of January of any year only. Any request for such revocation shall be delivered in person to the Office of the Controller or may be sent by U.S. Mail to the Controller, Payroll/Personnel Services Division (PPSD), One South Van Ness Avenue, 8th Floor, San Francisco, CA 94103. The City shall deliver a copy of any revocation notice to the Union not later than March 1.

#### Financial Reporting

32. Annually, the Union will provide an explanation of the fee and sufficient financial information to enable the service fee payer to gauge the appropriateness of the fee. The Union will provide a reasonably prompt opportunity to challenge the amount of the fee before an impartial decision maker not chosen by the Union and will make provision for an escrow account to hold amounts reasonably in dispute while challenges are pending.

# Indemnification

33. The Union agrees to indemnify and hold harmless the City for any loss or damage arising from the operation of this Agreement.

RULING: The Panel accepts the Union's final offer on Union Proposal #1, Union Security.

The Union's final offer is most consistent with the requirements stated in the Charter, and listed in the Procedural Background to this Award. The Neutral Chairperson believes that the final proposals of the parties are very close on this issue, and the remaining difference regarding the ability to make unilateral changes to the procedures by the Controller's office is not warranted and in concert with stable labor-management relations.

David Weinberg, Neutral Chairperson- Concur

May 6, 2019

Kate Howard, City Panelist, concur/dissent

Vincent A. Harrington Jr., Union Panelist, concur/dissent

ISSUE: OFFICIAL REPRESENTATIVES AND STEWARDS

Union's LBFO:

Union Counter to CP005 – Official Representatives and Stewards (4/25/2019)

# ARTICLE I - REPRESENTATION

# G. OFFICIAL REPRESENTATIVES AND STEWARDS Stewards

- 41. The Union, through a designated sender, shall furnish the City, to a designated recipient, with an accurate list of City-wide shop stewards and designated officers of the Union in areas as designated by the Union every three (3) months, beginning October 1, 2019. by July 1 of each year and each quarter thereafter. The Union may submit an amendment to the list at any time. An employee has no status as a steward unless the City has received verification in writing from the Union that the employee is a steward in a given area. Stewards are not authorized to act in said capacity unless on said list.
- 42. The Union recognizes that it is the responsibility of the shop steward to assist in the resolution of grievances at the lowest possible level.
- 43. Upon notification of an appropriate management person, stewards and designated officers of the Union, subject to management approval, which shall not be unreasonably withheld, shall be granted reasonable release time to investigate and process grievances, disciplinary appeals and attend meetings with Management without loss of pay or benefits. Union Stewards shall advise their first level supervisors prior to engaging in Union business. Such notification of release time shall normally be made <u>at least forty-eight (48) hours</u> in advance, <u>but shall not be unreasonably denied regardless</u>, and shall include the area or work location where they will be investigating or processing grievances, disciplinary appeals or

meetings with Management. The Union will attempt to insure ensure that shop steward release time will be equitably distributed. Absent special circumstances, not more than one Shop Steward and one Shop Steward Trainee shall be released to represent an employee at the same time in the same meeting. If the Union thinks there are special circumstances warranting more than one Shop Steward and one Shop Steward Trainee at a particular meeting, the Union should notify the department forty-eight (48) hours in advance, and the parties shall mutually agree on the number of Union representatives stewards released to attend. Normally one steward will be sufficient for a single investigation of a grievance or appeal, except for Shop Steward Trainee Observers.

- 44. In emergency situations, where immediate disciplinary action must be taken because of a violation of law or a City departmental rule (intoxication, theft, etc.) a shop steward shall not unreasonably be denied the right to leave his/her post or duty to represent the employee.
- 45. Except in emergency situations, an investigative, disciplinary or grievance meeting shall be rescheduled if a Shop Steward is denied release time.
- 46. Shop stewards shall not interfere with the work of any employee. A shop steward may interview an employee during the employee's regular work time in order to investigate or process a grievance or disciplinary appeal with the approval of the employee's supervisor, which shall not unreasonably be withheld.
- 47. Stewards shall be responsible for the performance of their work load, consistent with release time approved pursuant to rules established herein.
- 48. Stewards shall receive timely notice of and shall be permitted to make appearances at departmental orientation sessions in order to distribute union materials and to discuss employee rights and obligations under this Agreement.
- 49. Any meeting of shop steward and supervisor shall be held in private surroundings and shall be held in a quiet and dignified manner.
- 50. All Nnewly-elected Stewards shall be allowed four (4) hours paid release time for Union Steward training within six (6) months of appointment of a Steward. In addition, four (4) hours paid release time shall be paid for all Stewards for training regarding the provisions of the new Collective Bargaining Agreement within six (6) months of the effective date of this Agreement. The parties shall mutually agree to the number of stewards to be released at any one time.

# City's LBFO:

Issue #4: Article I.G. – Official Representatives and Stewards

# G. OFFICIAL REPRESENTATIVES AND STEWARDS

#### Stewards

41. The Union, through a designated sender, shall furnish the City, to a designated recipient, with an accurate list of City-wide shop stewards and designated officers of the Union in areas as designated by the Union <u>every three (3) months</u>, <u>beginning October 1, 2019</u>, by July 1 of each year and each quarter thereafter. The

- Union may submit an amendment to the list at any time. An employee has no status as a steward unless the City has received verification in writing from the Union that the employee is a steward in a given area. Stewards are not authorized to act in said capacity unless on said list.
- 42. The Union recognizes that it is the responsibility of the shop steward to assist in the resolution of grievances at the lowest possible level.
- Upon notification of an appropriate management person, stewards and designated 43. officers of the Union, subject to management approval, which shall not be unreasonably withheld, shall be granted reasonable release time to investigate and process grievances, disciplinary appeals and attend meetings with Management without loss of pay or benefits. Union Stewards shall advise their first level supervisors prior to engaging in Union business. Such notification of release time shall normally be made at least forty-eight (48) hours in advance and shall include the area or work location where they will be investigating or processing grievances, disciplinary appeals or meetings with Management. The Union will attempt to insure ensure that shop steward release time will be equitably distributed. Absent special circumstances, not more than one Shop Steward and one Shop Steward Trainee shall be released to represent an employee at the same time in the same meeting. If the Union thinks there are special circumstances warranting more than one Shop Steward and one Shop Steward Trainee at a particular meeting, the Union should notify the department forty-eight (48) hours in advance, and the parties shall mutually agree on the number of Union representatives to attend. Normally one steward will be sufficient for a single investigation of a grievance or appeal, except for Shop Steward Trainee Observers.
- 44. In emergency situations, where immediate disciplinary action must be taken because of a violation of law or a City departmental rule (intoxication, theft, etc.) a shop steward shall not unreasonably be denied the right to leave his/her post or duty to represent the employee.
- 45. Except in emergency situations, an investigative, disciplinary or grievance meeting shall be rescheduled if a Shop Steward is denied release time.
- 46. Shop stewards shall not interfere with the work of any employee. A shop steward may interview an employee during the employee's regular work time in order to investigate or process a grievance or disciplinary appeal with the approval of the employee's supervisor, which shall not unreasonably be withheld.
- 47. Stewards shall be responsible for the performance of their work load, consistent with release time approved pursuant to rules established herein.
- 48. Stewards shall receive timely notice of and shall be permitted to make appearances at departmental orientation sessions in order to distribute union materials and to discuss employee rights and obligations under this Agreement.
- 49. Any meeting of shop steward and supervisor shall be held in private surroundings and shall be held in a quiet and dignified manner.
- 50. All <u>N</u>newly-elected Stewards shall be allowed four (4) hours paid release time for Union Steward training <u>within six (6) months of appointment as a Steward</u>. In addition, four (4) hours paid release time shall be <u>paid provided</u> for all Stewards for training regarding the provisions of the new Collective Bargaining Agreement

# by December 30, 2019. The parties shall mutually agree to the number of Stewards to be released.

RULING: The Panel accepts the Union's final offer on City Proposal #5, Official Representatives and Stewards.

The Union's final offer is most consistent with the requirements stated in the Charter, and listed in the Procedural Background to this Award. The Neutral Chairperson believes that the final proposals of the parties are very close on this issue, and the remaining difference regarding unreasonable denial is reasonable and should not produce an excessive number of disputes or grievances.

David Weinberg, Neutral Chairperson- Concur

May 6, 2019

Kate Howard, City Panelist. concur dissent

Vincent A. Harrington Jr., Union Panelist, concur/dissent

#### ISSUE: CITY WIDE LABOR MANAGEMENT COMMITTEE

Union's LBFO:

CP008 – City Wide Labor Management Committee (Amended)

**UNION COUNTER OF APRIL 25, 2019** 

# ARTICLE I – REPRESENTATION

# K. CITY WIDE LABOR MANAGEMENT COMMITTEE

# Stewards

68. The City and the Union understand and agree that it is the objective of all parties to provide quality services to residents in a work environment that is safe for employees and in which employees' concerns about their terms and conditions are discussed and addressed. To promote these shared goals, the parties agree to establish a City-Wide Labor Management Committee for SEIU-represented employees (the "SEIU-City LMC"). This does not replace existing committees.

- 68a. The SEIU-City LMC shall meet on a quarterly basis, and in addition, as needed, to address matters the parties agree are of mutual concern which that arise during the term of this Agreement. The parties agree there shall be no economic discussions, on pending grievances and meet and confers, or grievance matters discussed at the SEIU-City LMC. The SEIU-City LMC shall sunset on June 30, 20XX.
- 69. a. Membership: The SEIU-City LMC shall be composed of 12 core members; 6 appointed by the Union and 6 appointed by the City. Additional subject matter experts shall be permitted to attend meetings as necessary. Bargaining unit employees shall be released in advance of any meeting for reasonable caucus time and to attend the meeting, and employees shall not lose any wages or benefits for their attendance at the meeting.
- 70. b. Purpose: The purpose of the SEIU-City LMC is to identify, discuss, and address issues surrounding SEIU-represented employees' terms and conditions in a constructive manner. The SEIU-City LMC members will investigate concerns that are brought to their attention and attempt to make unanimous recommendations to address concerns. The City shall promptly implement those recommendations made by the SEIU-City LMC members as long as any such recommendations are consistent with the San Francisco Charter, Codes, Civil Service Rules, City policies, and provisions of this Agreement.
- 71. c. Meeting: The SEIU-City LMC shall meet on a monthly basis starting the month following ratification of this Agreement. The meetings shall normally be scheduled for the third Wednesday of each month, unless a different date in the month is mutually agreed upon by the City and the Union. No later than seven (7) calendar days prior to the scheduled meeting, the City and the Union shall provide each other with their proposed agenda items to be discussed at the meeting. Other items shall not be discussed absent mutual agreement. Meetings shall be rotated between the parties' office locations. The meetings shall be scheduled to last at least one (1) hour and in no event shall they last more than three (3) hours unless all members agree to extend the meeting.
- d. Dispute Resolution: At all times the SEIU-City LMC shall try to resolve issues through unanimous consensus. In the event there is no consensus, either party may request in writing within two weeks after the last meeting at which the issue was discussed, that the issue be submitted to mediation. The Mediator shall be asked to meet only with the members of the SEIU-City LMC within fourteen (14) days or as soon as the Mediator is available at a location agreed to by the parties. The Mediator shall be empowered to listen to the parties' respective positions and to make an oral recommendation to the members of the SEIU-City LMC—at—the conclusion of the mediation, or no later than one week after, unless the parties mutually agree to give the Mediator additional time. The decision issued by the Mediator shall be deemed advisory in nature. The members of the SEIU-City LMC may, by majority vote of all 12 core members of the SEIU-City LMC, recommend

implementation of the Mediator's recommendation and the parties shall thereafter work together to make that implementation successful. If the Mediator's recommendation is not approved by a majority of the SEIU-City LMC members, that matter may be revisited by the SEIU-City LMC at a later date if mutually agreed to by the parties.

- 73. e. Mediator: A Mediator shall be requested from the State Mediation and Conciliation Service unless the parties mutually agree to a Mediator. No transcript or other recording of the mediation shall be made and the mediation shall be considered a part of the SEIU-City LMC process. Under no circumstances shall a Mediator be required to testify concerning the mediation. If there is a cost for the services of the Mediator, the parties shall jointly bear that expense.
- f. Resolution: The parties agree that either party may file a grievance regarding any failure by the other party to fulfill any procedural obligation that arises under this provision. Grievances—under this provision shall commence at Step IV. The parties agree to submit three (3) unresolved issues that are within the scope of representation as defined by the Meyers Milias Brown Act and do not fall within the grievance procedure to the Mayor for final—determination two (2) times—per fiscal year. The Union understands and agrees that the limitations referenced in the preceding sentence are cumulative across all City bargaining units represented by the Union, excepting the MTA Service Critical bargaining unit.
- 75. g. Nothing is this provision shall abridge or otherwise modify any right guaranteed by another provision of this agreement.

# City's LBFO:

Issue #5: Article I.K. – City wide Joint Labor Management Committee

#### K. CITY WIDE LABOR MANAGEMENT COMMITTEE

#### **Stewards**

- 68. The City and the Union understand and agree that it is the objective of all parties to provide quality services to residents in a work environment that is safe for employees and in which employees' concerns about their terms and conditions are discussed and addressed. To promote these shared goals, the parties agree to establish a City-Wide Labor Management Committee for SEIU-represented employees (the "SEIU-City LMC"). This does not replace existing committees.
- 69. a. Membership: The SEIU-City LMC shall be composed of 12 core members; 6 appointed by the Union and 6 appointed by the City. Additional subject matter experts shall be permitted to attend meetings as necessary. Bargaining unit employees shall be released in advance of any meeting for reasonable caucus time and to attend the meeting, and employees shall not lose any wages or benefits for their attendance at the meeting.

- 70. b. Purpose: The purpose of the SEIU-City LMC is to identify, discuss, and address issues surrounding SEIU-represented employees' terms and conditions in a constructive manner. The SEIU-City LMC members will investigate concerns that are brought to their attention and attempt to make unanimous recommendations to address concerns. The City shall promptly implement those recommendations made by the SEIU-City LMC members as long as any such recommendations are consistent with the San Francisco Charter, Codes, Civil Service Rules, City policies, and provisions of this Agreement.
- 71. c. Meeting: The SEIU-City LMC shall meet on a monthly basis starting the month following ratification of this Agreement. The meetings shall normally be scheduled for the third—Wednesday of each month, unless a different date in the month is mutually agreed upon by the City and the Union. No later than seven (7) calendar days prior to the scheduled meeting, the City and the Union shall provide each other with their proposed agenda items to be discussed at the meeting. Other items shall not be discussed absent mutual agreement. Meetings shall be rotated between the parties' office locations. The meetings shall be scheduled to last at least one (1) hour and in no event shall they last more than three (3) hours unless all members agree to extend the meeting.
- Dispute Resolution: At all times the SEIU-City LMC shall try to resolve 72. issues through unanimous consensus. In the event there is no consensus, either party may request in writing within two weeks after the last meeting at which the issue was discussed, that the issue be submitted to mediation. The Mediator shall be asked to meet only with the members of the SEIU-City LMC within fourteen (14) days or as soon as the Mediator is available at a location agreed to by the parties. The Mediator shall be empowered to listen to the parties' respective positions and to make an oral recommendation to the members of the SEIU-City LMC at the conclusion of the mediation, or no later than one week after, unless the parties mutually agree to give the Mediator additional time. The decision issued by the Mediator shall be deemed advisory in nature. The members of the SEIU-City LMC may, by majority vote of all 12 core members of the SEIU-City LMC, recommend implementation of the Mediator's recommendation and the parties shall thereafter work together to make that implementation successful. If the Mediator's recommendation is not approved by a majority of the SEIU-City LMC members, that matter may be revisited by the SEIU-City LMC at a later date if mutually agreed to by the parties.
- 73. e. Mediator: A Mediator shall be requested from the State Mediation and Conciliation Service unless the parties mutually agree to a Mediator. No transcript or other recording of the mediation shall be made and the mediation shall be considered a part of the SEIU-City LMC process. Under no circumstances shall a Mediator be required to testify concerning the mediation. If there is a cost for the services of the Mediator, the parties shall jointly bear that expense.
- 74. f. Resolution: The parties agree that either party may file a grievance regarding any failure by the other party to fulfill any procedural obligation that arises under this provision. Grievances under this provision shall commence at Step IV. The parties agree to submit three (3) unresolved issues that are within the scope of representation as defined by the Meyers Milias Brown Act and do not

fall within the grievance procedure to the Mayor for final —determination two (2) times per fiscal year. The Union understands and agrees that the limitations referenced in the preceding sentence are cumulative across all City bargaining units represented by the Union, excepting the MTA Service Critical bargaining unit.

75. g. Nothing is this provision shall abridge or otherwise modify any right guaranteed by another provision of this agreement.

RULING: The Panel accepts the City's final offer on City Proposal #8, City Wide Labor Management Committee.

The City's final offer is most consistent with the requirements stated in the Charter, and listed in the Procedural Background to this Award.

David Weinberg, Neutral Chairperson- Concur

May 6, 2019

Kate Howard, City Panelist, concur dissent

Vincent A. Harrington Jr., Union Panelist, concur/dissent

ISSUE: DEPARTMENT OF EMERGENCY MANAGEMENT SUPPLEMENTAL

City's LBFO:

Issue #6: Side Letter – Department of Emergency Management Meet and Confer

<u>Departmental Supplemental Agreement Between the Department of Emergency Management and Service Employees International Union, Local 1021</u>

Notwithstanding the provisions outlined in the Citywide Agreement, the following provisions will apply in the Department of Emergency Management.

# Meet and Confer

By no later than September 30, 2019, the Department of Emergency Management and the Union will meet and confer over the following for Classifications 8237, 8238, and 8239: (1) establishment of a pilot program to implement twelve-hour shifts; (2) amending holiday bidding procedures to allow lower seniority employees to access holiday slots; and (3) amending procedures for bidding on vacation during summer months to allow lower seniority employees to access vacation slots in June, July and August. The meet and confer process shall conclude after four (4) months from the

date the parties first meet. At the conclusion of that four-month period, if the parties have not reached an agreement, either party may avail itself of the impasse resolution procedures in Charter Section A8.409-4. Arbitrator David Weinberg shall retain jurisdiction as neutral arbitrator and Chairperson to resolve such an impasse, through and until June 30, 2020.

#### Union's LBFO:

Reject City Proposal 68

RULING: The Panel accepts the City's final offer on City Proposal #68, Department of Emergency Management Supplemental.

The City's final offer is most consistent with the requirements stated in the Charter, and listed in the Procedural Background to this Award. The Neutral Chairperson believes that the City's proposal will provide a mechanism to resolve cooperatively some of the Department's problems and help provide a better and more stable working environment. The Union did not object to having the Arbitration Panel retain jurisdiction.

		/-	$\sim$					
David	We	inberg	, Ne	utral	Chairp	ers	son-	Concur

May 6, 2019

Kate Howard, City Panelist, concur dissent

Vincent A. Harrington Jr., Union Panelist, concur/dissent

This Arbitration Board Award represents the final decision on all remaining issues that remained at impasse. During this process many items were agreed upon in mediation and during the negotiation process. The Panel understands that all the previously agreed upon items are considered resolved and are part of this Arbitration Panel Decision.

David Weinberg Neutral Chairperson

May 6, 2019

Kate Howard, City Panelist

Vincent A. Harrington Jr., Union Panelist

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SEPARATE OPINION OF UNION PANELIST HARRINGTON

# I. WAGES

The Panel has adopted the City's proposal for an 11% increase over the life of the contract, with various "splits" for the fiscal years, and as well, the so-called "off ramp" language proposed by the City, rather than the Union's 12% increase over the life of the Agreement in three equal installments of 4% due on each July 1st over the term. Although this is a substantial increase, the City has the capacity to meet the Union's demand. I dissent from that decision of the Panel for reasons set forth here.

It is indisputable that the record made before the Panel shows that the City has a clear ability to pay the Union's 12% demand, and simply lacks a willingness to do so. A review of evidence about the general economy, the City's revenues and expenses, projections contained in the annual Joint Report, and the evidence produced by the Union's two experts in municipal finance and economic analysis shows that the City is in the best financial condition it has ever been. It has achieved its first AAA bond rating. There is an enormous increase in building permits for new construction, both residential and commercial in the City. City revenues have nearly doubled in the last 12 years with an average annual increase of 6.1%. The Union evidence, which was not in any fashion rebutted by the City, shows that the five year forecasts issued by the City have routinely underestimated revenues and routinely overstated expenses. Indeed, in the ten year period from 2008 to 2018, the third year projection reports have misstated the reality of City revenues by an average of 14%, totaling over that period of time close to 5 billion dollars in inaccurate projections of revenue. During the period 2009 to the close of 2018, the City's yearend general fund balance has grown from 301 million dollars to over 2.2 billion dollars. The City's revenue sources for its general fund have also risen from 2009 to 2018 from over a little more than 2.7 billion to more than 4.9 billion dollars. Over the period of 2007 to the close of 2016, the City's actual labor costs as a percentage of its expenditures have fallen by more than 3%.

By contrast, the record evidence shows that between 2002 and the end of 2018, employees

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represented by the Union have fallen behind the CPI growth by a cumulative total of 12.6%. (Union Exhibit 21.) During that same period of time these Union members have suffered layoffs, furloughs, wage freezes, "de-skilling," and have given back negotiated wages in order to maintain the jobs of their sisters and brothers. Now that the City is clearly in a position to pay, these workers should be paid.

I have personally been involved either as an advocate or panel member in each negotiation cycle between Local 1021 and its predecessor unions and the City since 1992/93. Throughout that time the Charter as well as state law has required the parties to "bargain in good faith" on all matters within the scope of representation. Wages are obviously such a matter. Increasingly, over the years of my involvement I have seen the City deploy a tactic in bargaining in which it seeks to "pattern bargain" at each and every table, with specific emphasis on the issue of wages. The term "pattern bargaining" is not found anywhere in the Charter, and it is not truly applicable to this labor-management relationship. Pattern bargaining has its greatest utility, one could argue, in industries with common employers using a common pool of labor. Here "master agreements," and common costs benefit both parties and provide stability in the contractual relationship. This is especially true, for example, in the construction industry. But the City and County of San Francisco is not a construction industry employer, and its employees are not construction workers. There are more than 25 tables at which negotiations are now occurring. The bargaining units established by the City are based on community of interest which recognizes that these units are each different one from the other. In this particular unit are some of the City's lowest paid workers – employees who work in virtually every department of the City. They range from persons performing custodial duties, hospital duties, to office clerical duties, to social service, children's services, and other critical public services. But the City's pattern bargaining does not recognize this difference among and between the various negotiating tables.

What has happened in this bargaining, and what has happened increasingly in recent bargaining cycles is a form of "take it or leave it" bargaining. "Boulwarism" (named after a General Electric official responsible for bargaining) is a bargaining tactic in which the employer researches the probable outcome of collective bargaining, and based on that information makes a

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firm settlement offer to the Union on a "take it or leave it" basis. This is not "real negotiation," and it reflects no real intent to reach an agreement if possible. This method of fixed, immovable bargaining is an unfair labor practice under the National Labor Relations Act, Meyers-Milias-Brown Act and other labor laws. In this bargaining cycle the City once again sought to establish its pattern at other tables and then impose that pattern at this table. As it has done in the past, it tried to obtain this "pattern" at tables where smaller numbers of employees are represented, and then take that pattern to larger tables such as the SEIU table. That is exactly what happened here. Everyone in this negotiation knew that the City's last proposal—an 8.5% increase "broken up" in various ways, was not the City's real proposal. This was merely a placeholder for the 11% proposal previously revealed by City representatives to the Public Employee Committee Unions many days before it appeared at this table. And so it appeared at this table and every other table unchanged in any respect, and "unchangeable." This tactic by the City undermines true collective bargaining. In my judgment, decisions like that made by this Panel on wages here, aid and abet the City in this "take it or leave it" approach. For all these reasons and many more I dissent to this aspect of the Award.

#### II. **EQUITY ADJUSTMENTS**

On the competing proposals regarding an equity adjustment for the Patient Care Assistants (PCA) workers, the Panel has also accepted the City's proposal. I also dissent from this decision for the reasons set forth below.

Finally, near the end of mediation and the beginning of this arbitration process, the City put a proposal on the table in response to the Union's longstanding proposal to rectify the gross pay differential between PCA workers, and their brothers and sisters in the Certified Nursing Assistant (CNA) classification. This pay differential had been created in response to the economic downturn in 2008-2009—ten years ago. Over that time, by the Union's analysis presented during the hearing, the City saved over 24 million dollars on the backs of the PCAs due to the wage reduction imposed on them. The current proposal by the City and the competing proposal by the Union are substantially similar except in one significant detail. The Union proposes to eliminate the lowest steps—steps 1 through 3—over the life of the agreement; the

City rejects that idea. The City proposal as adopted by the Panel will thus perpetuate an entry level step paid approximately \$13 per hour lower than the top step in the wage schedule. In light of the overwhelming evidence in this record that the PCAs and the CNAs perform the same job, and the fact that this classification is overwhelmingly dominated by women and persons of color, the Union finds the continued maintenance of these lower steps to be insupportable, even unlawful. The Union's proposal is clearly affordable in light of the City's economic position, and the City's continued insistence on being able to maintain these lower steps will simply invite a whole new generation of PCAs to be paid less than their brothers and sisters for the same work for an extended period of time. I therefore dissent from this aspect of the Award.

The Panel adopts the City's equity proposals for the Park Ranger, Ranger and Head Park Ranger, rather than the Union's proposal. Although the City proposes an increase in each of these classifications, its own survey data presented to the Panel shows that these 5% increases are below the market differential which the City identified in its surveys. In other words, the City's proposal on these issues does not in fact put these employees at market, but continues them at below market. There is also no justification for the City delaying the 5% increase by a full fiscal year. For this reason I dissent from that part of the Award.

This is also true of the decision by the Panel to adopt the City's proposal on the Sheriffs Cadet equity dispute. Again here, the City's offer of 5% increase to the base rate of pay fails to bring the Cadets up to market, based on the City's own survey which shows them more than 5% below the market. And the increase should have been awarded in the first year of the successor MOU. The Panel should have adopted the Union's proposal which in fact closes the identified gap. I therefore dissent.

The Panel likewise rejects the Union's proposal, and adopts the City's proposal on the pay equity for the Housekeeper/Food Service Cleaner (2706) classification. The record before the Panel shows very clearly that these employees are entitled to the pay equity proposal made by the Union, and an absolute rejection of these proposals is inconsistent with cost of living increases, change in duties, and the circumstances under which these employees work. The Housekeeper/Food Service Cleaner classification is also deserving of the requested addition of a

sixth step to the wage scale. The Housekeepers at Hetch Hetchy now perform the full range of 2708 Custodial duties, after SEIU Local 1021 successfully eliminated the abusive misuse of Category 16 Temporary Exempt Custodians there. The Food Service Cleaners at the Airport perform a far broader range of duties than before, such as stripping and waxing floors without assistance, and covering a much broader range of food courts in the ever-expanding Airport. I therefore dissent from each of these decisions as well.

# III. PREMIUMS

The Panel rejects each of the Union's premium proposals. I dissent from that decision in each case. The Union's proposal to increase the longevity premium from \$.30 to \$.50 is well deserved. It has not been adjusted in 20 years. I also reject the Panel's analysis that "most of the economic enhancements should be placed in the general wage scale." That is not consistent with the history of the bargaining between these parties, and fails to acknowledge that these are very focused, limited proposals not having general application to the bargaining unit as a whole. Further, the City has utterly failed to demonstrate an inability to pay. It only demonstrated an intransigent unwillingness to pay. This is likewise true of the notary premium proposal rejected by the Panel. By rejecting the Union's proposal the Panel is essentially permitting the City to continue to contract out at great expense Notary Public work. This makes no sense under the Charter and is not consistent with positive labor relations.

# IV. NON-ECONOMIC ITEMS

I concur in the Panel's decision on the remaining so-called "non-economic" items.

Dated: May 7, 2019

VINCENT'A. HARRINGTON, JR. UNION PANELIST

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