

# REPORT

To the Honorable Mayor and City Council  
From the City Manager

February 7, 2005

## Subject

By resolution approve Memorandum of Understanding with the Redwood City Management Employees Association for the period October 1, 2005 through September 30, 2009; authorize amendments of the salary and wage plan for classifications represented by the Redwood City Management Employees Association effective with the first full pay period on or after October 1, 2007 and October 1, 2008.

## Recommendation

It is recommended that the City Council, by resolution, approve a new Memorandum of Understanding with the Redwood City Management Employees Association for the period of October 1, 2005 through September 30, 2009. It is also recommended that the City Council, by resolution, approve the amendments of the salary and wage plan for classifications represented by the Redwood City Management Employees Association effective with the first full pay period on or after October 1, 2007 and October 1, 2008.

## Background

The City and the Redwood City Management Employees Association (RCMEA) have met and conferred on matters relating to the terms and conditions of employment, and have reached a tentative agreement on a Memorandum of Understanding, subject to Council approval. The following is a summary of the economic tentative agreements:

TERM: 4-years – October 1, 2005 through September 30, 2009

SALARY: First year – Zero Increase  
Second Year – Zero Increase  
Third Year – Consumer Price Index  
Fourth Year – Consumer Price Index

RETIREMENT: Upon agreement with all bargaining units containing Miscellaneous employees and effective July 10, 2006, the City will contract with PERS to amend its current retirement formula for Local Miscellaneous Members to the 2.7% @ 55 formula.

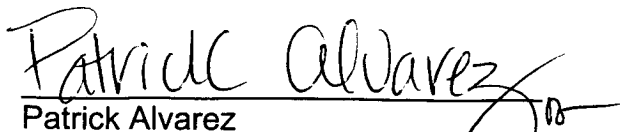
## Alternative

Direct Staff to continue negotiations with the Redwood City Management Employees Association.

6,3-A.2

**Fiscal Impact**

The above enhancements to the Memorandum of Understanding are within the maximum authority set by the City Council. There is no increased salary cost for Fiscal Year 05-06 and 06-07. The increased cost, estimated to be \$629,520.00 for the enhanced PERS retirement benefit will be budgeted in the Fiscal Year 06-07 when this benefit becomes effective. The scheduled wage increases in the third and fourth year of the contract are based on the Consumer Price Index, which are unknown at this time.

  
Patrick Alvarez  
Acting Director of Human Resources

  
Ed Everett  
City Manager

**Attachment**

Memorandum of Understanding for the Redwood City Management Employees Association (available at the City Clerks Office)

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF REDWOOD CITY AND THE REDWOOD CITY MANAGEMENT EMPLOYEES' ASSOCIATION THE PERIOD OF OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2009; AND AMENDING THE SALARY AND WAGE PLAN FOR CLASSIFICATIONS REPRESENTED BY RCMEA; AND RESCINDING RESOLUTION NO. 14386 AND ANY AND ALL AMENDMENTS PERTAINING THERETO**

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF REDWOOD CITY, AS FOLLOWS:**

1. That the Memorandum of Understanding (MOU) by and between the City of Redwood City and the Redwood City Management Association (RCMEA), for the period October 1, 2005 through September 30, 2009, a copy of which is on file in the office of the City Clerk, is hereby approved, and the City Manager is hereby authorized to execute same.

2. The monthly salary rates in dollars, and the hourly equivalent rates thereof as set forth in the MOU are hereby established for all employee positions represented by RCMEA, for the designated steps for the period of October 1, 2005 to and including September 30, 2009, and as more specifically set forth below:

Salary:

First year: Zero (0) Increase

Second year: Zero (0) Increase

Third year: Effective the first full pay period that includes October 1, 2007, salaries will be increased by the percentage change equal to the percentage change in the Consumer Price Index (All Urban Consumers) for the San Francisco/Oakland/San Jose Bay Area for the continuous twelve (12) month period ending with August 2007.

6.3-A.4

Fourth year: Effective the first full pay period that includes October 1, 2008, salaries will be increased by the percentage change equal to the percentage change in the Consumer Price Index (All Urban Consumers) for the San Francisco/Oakland/San Jose Bay Area for the continuous twelve (12) month period ending with August 2008.

Retirement:

Upon agreement with all bargaining units containing Miscellaneous employees and effective July 10, 2006, the City will contract with PERS to amend its current retirement formula for Local Miscellaneous Members to the 2.7@ 55 formula.

3. Resolution No. 14386 entitled, "Resolution Establishing a Salary and Wage Plan for Employee Classifications Represented by the Redwood City Management Employees' Association (RCMEA); and Rescinding Resolution No. 13585 and Any and All Amendments Pertaining Thereto," adopted October 1, 2001, is hereby rescinded.

4. This Resolution shall be effective upon the date of its adoption.

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