



DATE: July 20, 2021

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT: Adopt a Resolution Approving a Side Letter of Agreement between the City of Hayward and Service Employees International Union, Local 1021 to Make Members who Participated in the Fiscal Year 2021 Furlough Program Whole and Authorizing the City Manager to Execute the Agreement

RECOMMENDATION

That Council adopts a resolution (Attachment II) approving a Side Letter of Agreement between the City of Hayward and Service Employees International Union, Local 1021 (SEIU) to make members who participated in the Fiscal Year 2021 Furlough Program whole and authorizing the City Manager to execute the agreement.

SUMMARY

In recognition of SEIU's agreement to meet a thirty (30) hour unpaid furlough obligation in Fiscal Year 2021, and because actual revenues for the City of Hayward surpassed projected revenue shortfalls as a result of the COVID-19 pandemic, Council has expressed its desire to make Union members whole with respect to the Fiscal Year 2021 Furlough Program.

BACKGROUND AND DISCUSSION

On June 9, 2020, Council approved a Side Letter of Agreement between the City of Hayward and SEIU, Local 1021, in which the Union agreed to partner with the City of Hayward to address projected revenue shortfalls resulting from the COVID-19 pandemic by participating in an unpaid Furlough Program (the "Original Agreement"). Per the Original Agreement, Union members were required to meet a thirty (30) hour unpaid furlough obligation, and if certain financial indicators were not met during the term of the Original Agreement, members would be required to meet an additional twenty-five (25) hour unpaid furlough obligation.

On February 19, 2021, SEIU members were informed that they would not be required to meet an additional twenty-five (25) hour unpaid furlough obligation, as the financial indicators outlined in the Original Agreement were met. Because actual revenues for the City of Hayward surpassed projections, Council has expressed its desire to make Union members whole with reference to the Fiscal Year 2021 Furlough Program. As a result, the City of Hayward and SEIU, Local 1021, have reached a tentative agreement whereby Union members shall receive a

one-time, lump sum payment in an amount equal to the value of the furlough hours each employee took (Attachment III).

FISCAL IMPACT

The proposed agreement would result in an increase of approximately \$692,856 across all funds.

STRATEGIC ROADMAP

This agenda item is a routine operational item and does not relate to one of the City Council's Strategic Roadmap initiatives.

NEXT STEPS

The Human Resources and Finance Departments will work in conjunction to issue the one-time, lump sum payments within three (3) weeks following Council approval.

Prepared by: Kakshi Master, Senior Human Resources Analyst

Recommended by: Dustin Claussen, Director of Finance

Approved by:

A handwritten signature in black ink, appearing to read 'K McAadoo', is written over a horizontal line.

Kelly McAadoo, City Manager