

RESOLUTION NO. 3-17

**RESOLUTION OF THE COUNCIL OF THE CITY OF RICHMOND, CALIFORNIA
APPROVING A MEMORNDUM OF UNDERSTANDING WITH THE CITY OF
RICHMOND AND THE RICHMOND POLICE OFFICERS' ASSOCIATION (RPOA)**

WHEREAS, the City has negotiated in good faith with RPOA regarding terms of a new Memorandum of Understanding (MOU); and

WHEREAS, the parties reached a Tentative Agreement on terms for a new MOU on December 20, 2016, replacing the current MOU which expired on June 30, 2016; and

WHEREAS, the Tentative Agreement shall not bind the parties until it is ratified by a majority of the RPOA membership and ratified by the City Council; and

WHEREAS, the Tentative Agreement will establish a new MOU, effective July 1, 2016 through June 30, 2021; and

WHEREAS, the adoption of this agreement will support a stable and amicable labor relations environment in the City; and

WHEREAS, there is a positive impact of a three-year MOU on the City's ability to plan its finance and budget; and

WHEREAS, the agreement provides that RPOA members will contribute towards Other Post-Employment Benefits (OPEB), resulting in significant savings to the City;

NOW THEREFORE BE IT RESOLVED, that the City Council of Richmond authorizes reduction of the parties' December 20, 2016 Tentative Agreement to final Memorandum of Understanding (MOU) language, the terms of which are set forth and marked as Exhibit A of this resolution.

I certify that the foregoing resolution was passed and adopted by the Council of the City of Richmond at a regular meeting thereof held January 17, 2017, by the following vote:

AYES: Councilmembers Choi, McLaughlin, Myrick, Vice Mayor Beckles, and Mayor Butt.

NOES: None.

ABSTENTIONS: Councilmember Willis.

ABSENT: Councilmember Martinez.

PAMELA CHRISTIAN
CLERK OF THE CITY OF RICHMOND
(SEAL)

Approved:
TOM BUTT
Mayor

Approved as to form:
BRUCE GOODMILLER
City Attorney

State of California }
County of Contra Costa : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No. 3-17**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on January 17, 2017.



Pamela Christian, Clerk of the City of Richmond

RICHMOND POLICE OFFICERS' ASSOCIATION (RPOA) AND THE CITY OF RICHMOND
2016-2021 MEMORANDUM OF UNDERSTANDING (MOU)

- **TERM OF AGREEMENT:**
 - July 1, 2016 through June 30, 2021

- **RETIREE HEALTH BENEFIT CONTRIBUTION:**
 - Effective 01/01/2017, employees in RPOA classifications, will contribute **\$150 per month toward retiree health benefits.**

 - Effective 01/01/2018, employees in RPOA classifications will contribute an additional \$75 per month toward retiree health benefits, for a **total monthly contribution of \$225** per month toward retiree health benefits.

 - Effective 01/01/2019, employees in RPOA classifications will contribute an additional \$25 per month toward retiree health benefits, for a **total monthly contribution of \$250** per month toward retiree health benefits.

 - Effective 01/01/2020, employees in RPOA classifications will contribute an additional \$25 per month toward retiree health benefits, for a **total monthly contribution of \$275** per month toward retiree health benefits.

 - Effective 01/01/2021, employees in RPOA classifications will contribute an additional \$25 per month toward retiree health benefits, for a **total monthly contribution of \$300** per month toward retiree health benefits

 - All retiree health benefit contributions made by employees will be deposited into an irrevocable account, which shall be negotiated and agreed upon by both the RPOA and the City within the first year of this contract.

- **REOPENER:**
 - The parties agree to two (2) non-economic reopeners of the RPOA MOU at the request of the RPOA at any time during the term of the MOU, and the parties agree to one (1) economic reopener of the RPOA MOU at the request of the RPOA at any time during the term of the MOU.

- **SALARY ADJUSTMENT**
 - **Additional Compensation** - RPOA members will receive additional compensation in the amount equal to any new compensation provided to any other bargaining unit, including but not limited to I.A.F.F. Local 188, Richmond Fire Management Association (RFMA), SEIU Local 1021, IFPTE Local 21, and Richmond Police Management Association (RPMA), during the term of this MOU. (including but not limited to salary increases, uniform allowance, longevity, medical benefits, payment for unused sick leave etc.). This section does not apply to any benefits or compensation that members of other bargaining units currently receive, that are greater than the benefits or compensation received by members of RPOA or

RICHMOND POLICE OFFICERS' ASSOCIATION (RPOA) AND THE CITY OF RICHMOND
2016-2021 MEMORANDUM OF UNDERSTANDING (MOU)

benefits or compensation currently not received by members of RPOA. If any current MOU is extended beyond the current term and during the term of this MOU, members of RPOA will receive any additional compensation received by members of other bargaining units.

- General Fund Major Revenue Baseline Projections - RPOA members may receive salary adjustments pursuant to the attached document, which outlines General Fund Major Revenue Baseline Projections, and corresponding Contingent Salary Increases that will be provided to members of the RPOA. "Revenue" is defined as the sum of property tax, sales tax, and utility tax. The maximum salary adjustment that may be received pursuant to this section is five percent (5.0%) over the term of this contract. If, during the term of this agreement, Revenues drop by 3.5% (or greater), the City can request to reopen the contract to discuss economics, but only if the RPOA had previously received a salary increase pursuant to the attached document. If the RPOA received any salary increase (or other economic enhancement) that was triggered by another provision of this contract, the City cannot reopen the contract pursuant to this section.
- In each fiscal year the RPOA may receive the greater of the Additional Compensation section or the General Fund Major Revenue Baseline Projections section. The RPOA cannot receive a salary increase under both the Additional Compensation section and the General Fund Major Revenue Baseline Projections section in the same fiscal year. If the RPOA receives compensation pursuant to the Additional Compensation section, the five percent (5.0%) cap set forth in the General Fund Major Revenue Baseline Projections section, does not apply.
- **RETIREE HEALTH CARE**
 - Retiree health care shall be vested at the current levels for all employees who retire from the City of Richmond pursuant to RPOA MOU Article 13.B.7-Retired Employees.
- **TENTATIVE AGREEMENTS**
 - All tentative agreements previously reached by the parties during the negotiations process, will be included as part of this tentative agreement and will be incorporated into the MOU.
- This tentative agreement shall not bind the parties until it is ratified by the RPOA and by the Richmond City Council.

RICHMOND POLICE OFFICERS' ASSOCIATION (RPOA) AND THE CITY OF RICHMOND
2016-2021 MEMORANDUM OF UNDERSTANDING (MOU)

Date: 12/00/16

FOR RPOA:

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FOR THE CITY:

[Signature]

[Signature]

Mauchiano

Donna Nato

RETIREE HEALTH BENEFIT CONTRIBUTIONS

Calendar Year	2017	2018	2019	2020	2021
Monthly Contribution	\$ 150	\$ 225	\$ 250	\$ 275	\$ 300
Fiscal Year	2016-2017	2017-18	2018-19	2019-20	2020-21

SALARY ADJUSTMENTS

	Budget	Percent Change	Projection	Percent Change	Projection	Percent Change	Projection
GENERAL FUND MAJOR TAX REVENUE BASELINE PROJECTION							
Property Tax	44,990,296	5.00%	47,239,769	5.00%	49,601,757	5.00%	52,081,845
Sales & Use Tax	32,827,667	5.80%	34,732,531	3.83%	36,063,025	3.83%	37,444,012
Utility Users Tax	44,657,538	1.46%	45,309,806	1.69%	46,077,345	1.70%	46,860,465
Total Taxes	122,475,461	3.92%	127,282,106	3.50%	131,742,128	3.53%	136,386,323

CONTINGENT SALARY INCREASES

Revised tax projection			133,812,209		140,599,883		144,520,257
Prior fiscal year major tax revenue threshold			129,282,106		135,812,209		142,599,883
Salary increase (effective July 1 of fiscal year following threshold)				1%		1%	
Revised tax projection			134,847,249		142,706,663		147,668,876
Prior fiscal year major tax revenue threshold			130,282,106		137,847,249		145,706,663
Salary increase (effective July 1 of fiscal year following threshold)				2%		2%	
Revised tax projection			135,882,289		144,813,443		150,817,494
Prior fiscal year major tax revenue threshold			131,282,106		139,882,289		148,813,443
Salary increase (effective July 1 of fiscal year following threshold)				3%		3%	

* Maximum Increase over life of contract = 5%