



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
November 15, 2022

TOPIC: Memorandum of Understanding between the City of Santa Ana and Service Employees International Union Local 721, Part-Time Non-Civil Service Unit

AGENDA TITLE:

Approve a Memorandum of Understanding Establishing the Terms and Conditions of Employment for Classifications Represented by Service Employees International Union (SEIU), Local 721, Part-Time Non-Civil Service Unit

RECOMMENDED ACTION

Authorize the City Manager to execute a Memorandum of Understanding with Service Employees International Union Local 721, Part-Time Non-Civil Service Unit regarding wages, hours, and other terms and conditions of employment effective November 16, 2022 through November 15, 2024, and authorize non-substantive changes which may be necessary to implement the agreement.

DISCUSSION

The prior Memorandum of Understanding between the City of Santa Ana and Service Employees International Union ("SEIU") Local 721, Part-Time Non-Civil Service Unit ("PTNCS") expired in June 2017. Since that time, employees represented by SEIU Local 721 PTNCS Unit have not received any salary adjustments, except for certain classifications that were impacted by minimum wage increases in 2020. The City recently reached a tentative agreement with the SEIU PTNCS Unit, on a two (2) year Memorandum of Understanding effective November 16, 2022 through November 15, 2024. The tentative agreement has been ratified by membership.

The major provisions of the agreement include: salary increases of five percent (5%) effective the first pay period following City Council approval of the MOU and five percent (5%) in July 2023; a one-time payment of two thousand dollars (\$2,000) for employees with an original hire date prior to May 1, 2020 and those who have since been rehired, and a one-time payment of three hundred dollars (\$300) for all other employees (who do not qualify for the one-time two thousand dollar (\$2,000) payment); the establishment of a retirement health savings plan for employees, who will contribute

three quarters of one percent (0.75%) into the accounts each pay period; and clarifying language on issues of employment.

ENVIRONMENTAL IMPACT

There is no environmental impact associated with this action.

FISCAL IMPACT

The estimated annual cost of the agreement is \$502,766 for FY 2022-23, \$326,351 for FY 2023-24, and \$122,339 for FY 2024-25, for a total estimated cost of \$951,456 over the term of the agreement. Approximately 75% of part-time staffing costs are borne by the General Fund. Therefore, the expected fiscal impact to the General Fund is approximately \$377,075 for FY 2022-23, with a similar proportionate impact for the subsequent fiscal years.

The FY 2022-23 General Fund budget includes an allocation for the additional cost of labor negotiations within the Non-Departmental section of the budget. With the Midyear Budget Report in February, staff will propose housekeeping adjustments to move portions of that Non-Departmental budget to the affected department budgets within the General Fund.

EXHIBIT(S)

1. Memorandum of Understanding between the City of Santa Ana and Service Employees International Union Local 721 Part-Time Non-Civil Service Unit

Submitted By: Jason Motsick, Executive Director of Human Resources

Approved By: Kristine Ridge, City Manager