

**AGREEMENT BETWEEN THE CITY OF SAN DIEGO
AND AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES, LOCAL 127
RELATED TO THE RECRUITMENT INCENTIVE AND SANITATION DRIVER SIGN-ON BONUS
PROGRAMS IN THE ENVIRONMENTAL SERVICES DEPARTMENT**

Pursuant to the provisions of the Meyers-Milius-Brown Act (MMBA) and Council Policy 300-06, this Side Letter Agreement (Agreement) is entered into between the City of San Diego (City) and the American Federation of State, County, and Municipal Employees, Local 127 (Local 127) related to the Recruitment Incentive and Sanitation Driver Sign-on Bonus Programs in the Environmental Services Department (Department). The City and Local 127 are collectively referred to as the "Parties."

There is currently a shortage of qualified professional truck drivers throughout the United States. Although the Department has been experiencing recruitment and retention difficulties within the Sanitation Driver series over the past several years, the COVID-19 pandemic has only accelerated and exacerbated a trend seen industrywide.

Refuse, recycling, and organic waste collection services are a significant Citywide responsibility critical to maintaining public health and safety. Its uniqueness stems from the fact that a day of waste collection is only finished when all work has been completed. Since 2015, the Department has been experiencing a steady decline in the number of applicants who apply for the Sanitation Driver Trainee position. This same trend can also be seen in the number of candidates who participate in the interview process with the Department.

In addition, in 2016 the State of California passed Senate Bill 1383 (SB 1383) which is the most significant waste mandate to be adopted in California in the last 30 years. It requires the state to reduce organic waste (i.e., food waste, green waste, paper products, etc.) deposited to landfills by 75% by 2025. Specifically, for the Department, this means:

- Approximately 240,000 additional organic waste containers will need to be purchased and provided to City residents to comply with the new mandate.
- Automated organic waste container collections are currently only provided to approximately 45,000 City residents. SB 1383 will expand the City's automated green waste frequency from a bi-weekly collection to a weekly collection. This is an increase from approximately 45,000 stops every two weeks to 285,000 service stops per week.
- To meet this increased demand, a total of 40 additional Sanitation Drivers positions have been added to the Fiscal Year 2022 Budget. This is in addition to the Department's current 23 vacant Sanitation Driver positions, which are currently being recruited.

The Parties agree as follows:

1. The Parties have satisfied all obligations under the MMBA, Council Policy 300-06, and other applicable law and regulations to meet and confer in good faith on the subject of this Agreement.
2. Except as provided in this Agreement, all wages, hours, and other terms and conditions of employment presently enjoyed by Local 127-represented employees, whether stated in an MOU, Personnel Regulation, Administrative Regulation or in any other enforceable document, and all rights of the City set forth in Article 11 of the MOU also remain full force and effect.

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3. This Agreement is not binding on the Parties until it is approved by a two-thirds vote of the entire City Council, in accordance with San Diego Charter section 11.2.
4. This Agreement is intended to be read in conjunction with the MOU, and where in conflict on the specific issue covered by this Agreement, this Agreement will control.
5. To implement after Council approval of this Agreement through Fiscal Year 2024 the following **Sanitation Driver Recruitment Incentive Program (RIP)**:
 - a. The RIP will be available to all active classified employees (Referrer) in the Department who recruit successful applicants for the classifications of Sanitation Driver Trainee and Sanitation Driver II.
 - b. Eligible employees who refer applicants for Sanitation Driver Trainee and Sanitation Driver II classifications may receive a recruiting incentive award of up to \$1,250 per referral, for a maximum of two (2) successful referrals for the duration of the RIP.
 - c. The Department will provide a quarterly update of the monies paid and to whom during a Labor Management Committee (LMC) meeting, if applicable.
 - d. The applicant will be asked to provide a Referrer's name at the time they are provided a start date (start dates are provided via e-mail). This is certifying that the Referrer referred and/or assisted in recruiting them, and that the applicant will not receive any portion of the recruiting incentive provided to the Referrer. This is the only way a Department member can receive this recruitment incentive.
 - e. The applicant may identify only one (1) Referrer.
 - f. The applicant must be hired and have started their first day of work in Fiscal Year 2022 or Fiscal Year 2023 as either a Sanitation Driver Trainee (includes underfilling the Sanitation Driver I or Sanitation Driver II classifications) or Sanitation Driver II for the recruitment incentive to be received.
 - g. **RIP Funding**
 - (1) If the above criteria are met, the Referrer is eligible to receive the recruitment incentive as follows:
 - i. If a successful applicant hired in and started their first day of work as a Sanitation Driver Trainee (includes underfilling the Sanitation Driver I or Sanitation Driver II classifications) or Sanitation Driver II in Fiscal Year 2022 or Fiscal Year 2023:
 - a) \$625 will be paid to the Referrer upon hire date of the applicant.
 - b) \$625 will be paid to the Referrer upon the Referee passing their City probationary period (as defined in Index Code: G-2 of the Personnel Regulations).

- (2) Eligible employees who refer applicants may receive recruitment incentive awards up to a maximum of \$2,500 gross amount for the duration of the RIP.
- (3) The recruitment incentive will be processed within 30 working days of each applicant's successful completion of each step identified above.
- (4) The RIP is not retroactive. Eligible employees, who referred successful applicants prior to the start of the RIP, are not eligible to receive the recruitment incentive.
- (5) A new earnings code will be created for the recruitment incentive and it will be non-pensionable taxable income, and the City will update the earnings codes to reflect this as a non-pensionable taxable income.
- (6) The RIP is contingent upon available funding in accordance with the approved budget and will terminate once the \$25,000 in Fiscal Year 2022 and \$25,000 in Fiscal Year 2023 have been exhausted or once 40 successful referrals are hired and started their first day of work in Fiscal Year 2022 or Fiscal Year 2023, whichever comes first. Any remaining RIP budget from Fiscal Year 2022 and Fiscal Year 2023 will be carried over to Fiscal Year 2024 to payout any remaining recruitment incentive if successful applicant hired in Fiscal Year 2023 passed their City probationary period.

h. RIP Program Guidelines

- (1) Referrers are eligible for the recruitment incentive if a referral is made for a former City employee who had resigned and separated from the City for over 30 days. Employees returning from a Special Leave Without Pay absences are not considered resignations; therefore, their referral is not eligible for the recruitment incentive. Referrals that are hired on a provisional basis are not eligible.
- (2) The recruitment incentive will only be paid out to classified employees in the Department, who are in an active status, at the time of recruitment incentive distribution.
- (3) Any concerns or disputes regarding the RIP will be directed to the Collection Services Division Appointing Authority. The RIP is not grievable.

6. To implement after Council approval of this Agreement through Fiscal Year 2024 the following **Sanitation Driver Sign-on Bonus Program (SBP)**:

- a. To be eligible for the SBP, an applicant must be hired into a full-time, permanent vacancy as either a Sanitation Driver Trainee or Sanitation Driver II to receive the bonus pay. Former City employees who have resigned and separated from the City for over 30 days are also eligible.

- b. The applicant must be hired and start their first day of work in Fiscal Year 2022 or Fiscal Year 2023 in order to be eligible.
- c. Any concerns or disputes regarding the SBP will be directed to the Division Appointing Authority. The SBP is not grievable.
- d. SBP Funding
 - (1) If the above criteria are met, the applicant is eligible to receive the bonus as follows:
 - i. Applicants hired as a Sanitation Driver Trainee (includes underfilling the Sanitation Driver I or Sanitation Driver II classifications) or Sanitation Driver II in Fiscal Year 2022 or Fiscal Year 2023:
 - a) \$1,250 will be paid to the applicant upon their start date.
 - b) \$1,250 will be paid to the applicant upon passing their City probationary period (as defined in Index Code: G-2 of the Personnel Regulations).
 - (2) Sign-on bonus will be processed within 30 working days of each successful completion of each step identified above.
 - (3) The sign-on bonus will only be paid to newly hired Sanitation Driver Trainee (includes underfilling the Sanitation Driver I or Sanitation Driver II classifications) or Sanitation Driver II employees in the Department who are in an active status at the time of distribution.
 - (4) A new earnings code will be created for the SBP bonus and it will be non-pensionable taxable income, and the City will update the earnings codes to reflect this as a non-pensionable taxable income.
 - (5) The SBP is contingent upon available funding in accordance with the approved budget and will terminate once the \$125,000 in Fiscal Year 2022 and \$125,000 in Fiscal Year 2023 have been exhausted or once 100 successful applicants are hired and started their first day of work in Fiscal Year 2022 or Fiscal Year 2023, whichever comes first. Any remaining RIP budget from Fiscal Year 2022 and Fiscal Year 2023 will be carried over to Fiscal Year 2024 to payout the remaining bonus of an applicant hired in Fiscal Year 2023 and have passed their City probationary period in Fiscal Year 2024.

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This Agreement is executed by the following authorized representatives of each party:

For Local 127

By: _____
Rodney Fowler, Sr.
Local 127 President

Date: _____

By: _____
Tim Douglass
Local 127 Vice President

Date: 11-22-2021

For the City of San Diego

By: _____
Abby Jarl-Veltz
Assistant Human Resources Director

Date: 12-7-2021

By: _____
Dianne Mitra
Human Resources Analyst

Date: 12-7-2021

Approved as to form this 7th day of December, 20 21.

MARA W. ELLIOTT, City Attorney

By: _____
Miguel Merrell
Deputy City Attorney