



1 North San Antonio Road
Los Altos, California 94022-3087

SIDE LETTER AGREEMENT #1

June 25, 2024

Juan Coca, Recording Secretary
Sanitary Truck Drivers and Helpers Union Local #350
295 89th St. Suite 304
Daly City, CA 94015

Dear Mr. Coca,

Pursuant to the provisions of the Meyers-Millias-Brown Act (“MMBA”), this Side Letter Agreement (“Agreement”) is entered into by and between the City of Los Altos (City) and the Sanitary Truck Drivers and Helpers Union Local #350 (“TEAMSTERS”) as an amendment to the Memorandum of Understanding (“MOU”) effective July 1, 2022 through June 30, 2027.

TEAMSTERS and the City are collectively referred to herein as the “Parties” It is understood and agreed that the specific provisions contained in this Side Letter Agreement shall supersede any previous agreements, whether oral and written, regarding the matters contained herein. Except as provided herein, all wages, hours and other terms and conditions of employment shall remain in full force and effect.

The Parties have met and conferred in good faith on June 7, 2024 concerning the terms and conditions of this Side Letter Agreement and its implementation and agree to add clarifying language to Article 7. PAY RATES AND PRACTICES after Association signature and subsequent Council approval of this Side Letter Agreement.

The Parties agree with the MOU updates as outlined in Appendix C.

For the City:

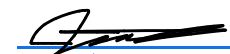

Gabriel Engeland (Jun 26, 2024 12:46 PDT)

Gabriel Engeland
City Manager

Jun 26, 2024

Date

For Teamsters:


Juan Coca (Jun 26, 2024 10:57 PDT)

Juan Coca, Recording Secretary

Jun 26, 2024

Date

APPENDIX C

ARTICLE 7. PAY RATES AND PRACTICES

7.1 Salaries

Effective the pay period that included July 1 of each fiscal year that this agreement covers, represented classifications base salary will be adjusted as follows:

1. 7/1/22 5% across all classification.
2. 7/1/23 CPI then Market Adjustments (Minimum of 3%, Maximum of 3.5%)
3. 7/1/24 CPI then Market Adjustments (Minimum of 3%, Maximum of 3.5%)
4. 7/1/25 Market Range Adjustments (salary adjustment applied to classification)
5. 7/1/26 Market Range Adjustments (salary adjustment applied to classification)

The percentage increase above of 3% to 3.5 percent for the 7/1/23, 7/1/24 adjustments shall be referred to hereinafter as "minimum/maximum". The percentage increases above shall be based on the wage rate then in effect. For example, if the Index for 2023 as described below is 2.5 %, the wage increase applied to the July 1, 2023, classification schedule shall be of 3.0 %, plus the market rate adjustment increase described below for the applicable years. CPI adjustment shall be based on April 12-month Consumer Price Index for the San Francisco Bay Area set by the U.S. Bureau of Labor Statistics for the respective year.

Market Adjustment

Market adjustment shall be determined by taking the 50th percentile of the maximum annual pay rate of the peer cities equivalent classification. This calculated annual pay rate amount will be a % above or below the current maximum annual pay rate for the City of Los Altos' represented classification. If the City of Los Altos represented classification is below market, the classification will be adjusted by the calculated percentage necessary to bring the pay rate to the 50th percent of the market.

Market Range Adjustment

Similar to the above "Market Adjustment", except the percentage increase necessary to bring the pay rate to the 50th percent of the market shall not be automatically adjusted for the incumbent in the represented classification effective the pay period that includes July 1. Instead, the range for the classification shall be increased based on the 50th percentile of the maximum annual pay rate of the peer cities equivalent classification, The incumbent of the represented classification shall be eligible for a step increase based on merit, up to the new maximum for the classification, on their annual review date.

Peer Cities

The peer cities used for the determination of market adjustments shall be based on likeness to the City of Los Altos using the following factors (Population, number of Full-Time Equivalent positions, agency expenditures, expenditures per capita, and geographic proximity). On each comparable factory, a rank of 1, ~~or 0.5~~, or 0 shall be assigned (1 being line, 0 being unlike). The top 6 peer cities shall be used for market adjustments. If two or more cities receive the same likeness score and there is a tie, for determination of the top 6 peer cities, the city with the higher paying comparable classification shall be used for

| [determining market adjustments](#). If a peer city lacks a comparable classification, the next peer city with a comparable classification will be used.

Effective March 1, 2023, and every MOU year thereafter, the Union shall be provided with the list of the Peer Cities included in the comparable survey. List shall include the “likeness factors” described above.

Salaries for all represented classifications for year 2022-2023 are listed in Appendix A.