MEMORANDUM OF UNDERSTANDING BETWEEN THE AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES, LOCAL 2962 AND THE CITY OF ALBUQUERQUE REGARDING COLLECTIVE BARGAINING AGREEMENT NEGOTIATIONS

This **MEMORANDUM OF UNDERSTANDING** ("MOU") is entered into by and between the City of Albuquerque ("City") and the American Federation of State, County, and Municipal Employees, Local 2962 ("Union") (the City and the Union are collectively referred to as the "Parties").

WHEREAS, the Parties have entered into a Collective Bargaining Agreement ("CBA") that is effective from July 1, 2023 through June 30, 2026 (the "CBA") and;

WHEREAS, Section 2.1.1 of the CBA states [in part] that "For FY26, beginning July 1, 2025, bargaining unit employees' hourly rate of pay will be as appropriated by the City Council and signed by the Mayor effective on the first full pay period following July 1, 2025, regardless of whether non-economic negotiations remain open." and;

WHEREAS, Section 40.5.1 of the CBA states [in part] that "Between March 1 and the last business Friday of March, 2025, each Party may open two (2) Articles to be negotiated."

WHEREAS, the Parties have engaged in and successfully completion negotiations over the provisions addressed in these Sections.

Now, Therefore, the Parties agree to the following:

I. EFFECTIVE DATE. The Parties agree that, so long as both Parties sign this MOU, the "effective date" is the first full pay period from date that the last Party executes this MOU.

II. TERMS of MOU.

The parties agree to the following:

- 1. Bargaining unit employees whose pay rates are below \$17.00 per hour will be increased to a minimum of \$17.00 per hour the first full pay period following July 1, 2025.
- 2. Once the bargaining unit employees whose pay rates where below \$17.00 per hour are adjusted to the minimum of \$17.00 per hour, any bargaining unit employee below the minimum of their respective pay band per the City's Class and Comp Study ("green circled") will be increased to minimum rate of their respective pay band effective the first full pay period following July 1, 2025.
- 3. Once the \$17.00 per hour minimum has been applied and bargaining unit employees below the minimum of their respective pay band have been increased to the minimum rate of their

respective pay band, a general increase of 2.5% shall be applied to the wage rate of all bargaining unit employees.

- 4. Any mid-year wage appropriation made by City Council will be provided to bargaining unit employees effective the first full pay period following January 1, 2026.
- 5. In the spirit of cooperation, the Parties agree to continue their obligations related to the settlement of the Prohibited Practice Complaint LB 23-05.
- 6. Section 22.1.6 of the CBA (EMPLOYMENT RECORDS) shall be amended to read:

"When discipline is being considered for an employee, and the employee has not received any discipline for a period of two years before the date of the misconduct for which discipline is being proposed, then any written reprimand(s) issued more than two (2) years before the date of the alleged misconduct will not be considered in deciding the proposed discipline. Written reprimands issued more than two years before the date of the alleged misconduct may be considered if the employee has not been discipline free for two years. For suspensions issued more than two years before the date of the alleged misconduct, if the suspension was for conduct which constitutes a civil tort, such as sexual harassment or violence, then the suspension may be considered; suspension for conduct which does not constitute a civil tort shall not be considered. In addition, if the Union President and the Human Resources Manager over Employee Relations agree that the employee has a pattern of misconduct which appears to be "timed" or "spaced" to take advantage of this two-year term, then this two-year term does not apply."

III. MOU CREATES NO THIRD PARTY BENEFITS. By entering into this MOU, the parties do not intend to create any right, title, or interest in or for the benefit of any person other than the Parties. No person shall claim any right, title or interest under this MOU or to seek to enforce this MOU as a third party beneficiary of this MOU. The parties agree that this MOU shall only be applicable to the positions within the Union's bargaining unit as described herein.

IV. NO FURTHER AGREEMENT. This MOU incorporates all the agreements, covenants, and understandings between the Parties hereto concerning the services to be performed hereunder, and all such agreements, covenants and understandings have been merged into this MOU. This MOU expresses the entire MOU and understanding between the parties. No prior agreement or understanding, verbal or otherwise, of the Parties or their agents shall be valid or enforceable unless embodied in this MOU.

V. SEVERABILITY. In case any one or more of the provisions contained in this MOU or any application thereof shall be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, each party has executed this agreement on the date indicated by the signature.

SIGNATURES CONTINUE ON NEXT PAGE THIS AREA INTENTIONALLY LEFT BLANK

AFSCME 2962 APPROVED BY: AFSCME, Local 2962 CITY OF ALBUQUERQUE APPROVED BY: APPROVED AS TO FORM: Ian Stoker, Director Human Resources Department APPROVED AS TO LEGAL FORM: