

TO: James L. App, City Manager

FROM: Meg Williamson, Assistant City Manager

SUBJECT: Wage Deferral Agreements with S.E.I.U., P.O.A., Professional Firefighters I.A.F.F., Unrepresented Confidential, Professional and Management, and Part Time Employees

DATE: April 7, 2009

NEEDS: For the City Council to consider an offer from their employees represented by the Service Employees International Union (S.E.I.U.), the Paso Robles Police Association (P.O.A.), the Professional Firefighters (I.A.F.F.), those Unrepresented (Confidential, Professional and Management, and Part Time employees) to defer scheduled wage increases.

FACTS:

1. The current Memorandums of Understanding (i.e. labor “contracts”) between the City and its employee groups are effective through March 31, 2010. Those contracts include salary increases scheduled for April 1, 2009.
2. The City is obligated under State law to meet and confer with its employee groups to discuss wages, benefits, terms and conditions of employment.
3. The City is experiencing unprecedented financial challenges, with cumulative shortfalls of \$10,000,000 over the next 3 years (at last estimate).
4. Over \$4,000,000 in recurring expenses have already been eliminated and planned staffing levels have been reduced by 15% city wide.
5. The City’s Layoff Prevention plan (LPP) was activated effective November 1, 2008. The LPP is a method to systematically deal with periods of economic downturn in a manner that maintains the core integrity of the City’s workforce. There are ten steps to implementation of the LPP.
6. Deferral of negotiated annual wage adjustments is step four of the LPP.
7. The City met and conferred with each of the labor groups regarding their willingness to defer their annual wage increases. All labor groups agreed to defer wage adjustments that were scheduled for April 1, 2009.

8. The Supplemental Memorandums of Understanding (SMOU) and/or administrative documentation of deferrals are attached to this report.

ANALYSIS &

CONCLUSION: In a badly weakened economy, our challenges are great. There are fewer resources to serve a deserving community, compelling each of us to find ways to do more with less. City employee groups have collectively volunteered to defer contract wage increases to set the stage for the organization to endure.

POLICY

REFERENCE: California Government Code, Municipal Code Sec. 2.40.030(c), Layoff Prevention Plan dated 1992, and Resolution 06-115 (S.E.I.U., P.O.A., Unrepresented Confidential, Professional and Management Employees and Part Time Workers wage and salary contracts, and Resolution 06-202 (I.A.F.F. Memorandum of Understanding).

FISCAL

IMPACT: The employees' offer of wage deferral is estimated to save the City approximately \$760,000 per year.

- OPTIONS:
- a. For the City Council to adopt Resolution No. 09-XX accepting the employee groups' offer of deferral of their scheduled April 1, 2009 wage increases, and authorize the City Manager to execute individual Supplemental Memorandums of Understanding with the P.O.A., S.E.I.U., and the I.A.F.F.
 - b. Amend, modify or reject above option.

Attachment:

1. Resolution 09-XX accepting wage deferral and authorizing city Manager to execute Supplemental Memorandums of Understanding (SMOU).
2. SMOU – I.A.F.F.
3. SMOU - P.O.A.
4. SMOU – S.E.I.U.
5. Administrative Memo with Unrepresented personnel

RESOLUTION NO. 09 –

A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EL PASO DE ROBLES
AUTHORIZING EXECUTION OF SUPPLEMENTAL MEMORANDUMS OF
UNDERSTANDING WITH THE I.A.F.F, S.E.I.U., P.O.A., UNREPRESENTED
CONFIDENTIAL, PROFESSIONAL AND MANAGEMENT EMPLOYEES
AND PART TIME WORKERS TO DEFER ANNUAL WAGE INCREASES
SCHEDULED FOR APRIL 1, 2009

WHEREAS, the Government Code of the State of California prescribes a procedure for discussing and resolving matters regarding wages, hours and other terms and conditions of employment; and

WHEREAS, the Paso Robles Municipal Code Section 2.40.030(c) provides that appointive officers and employees shall received such compensation as may be fixed by resolution of the City Council; and

WHEREAS, Resolution 06-115 did establish and set forth salaries and benefits for the Service Employee International Union Local 620 (S.E.I.U) represented workers, the Paso Robles Police Association (P.O.A.) represented workers, for Unrepresented Confidential, Professional and Management workers, and for Part Time workers; and

WHEREAS, Resolution 06-202 did establish and set forth salaries and benefits for the Professional Firefighters (I.A.F.F.) Local 4148; and

WHEREAS, those current Memorandums of Understanding (i.e. labor “contracts”) between the City and its employee groups include salary increases scheduled for April 1, 2009.

WHEREAS, the City is experiencing unprecedented financial challenges, with cumulative shortfalls of \$10,000,000 over the next 3 years (at last estimate); and

WHEREAS, the City’s Layoff Prevention plan (LPP) was activated effective November 1, 2008 which prescribes a method to systematically deal with periods of economic downturn in a manner that maintains the core integrity of the City’s workforce, and which wage deferral is step four within the LPP; and

WHEREAS, the City met and conferred with each of the labor groups regarding their willingness to defer their annual wage increases; and

WHEREAS, all labor groups have agreed to defer wage adjustments that were scheduled for April 1, 2009; and

WHEREAS, Part Time employees are not subject to the meet and confer process, but their salary schedule is also affected at this time to reflect an appropriate relationship with the deferrals scheduled for other labor groups; and

WHEREAS, the employees' offer of wage deferral is estimated to save the City approximately \$760,000 per year.

NOW, THEREFORE, LET IT BE RESOLVED by the City Council of the City of El Paso de Robles to accept the mutually agreed upon offers to defer April 1, 2009 scheduled wage increases and hereby authorize the City Manager to execute Supplemental Memorandum of Understanding (SMOU) with the I.A.F.F., P.O.A., and S.E.I.U. labor groups, and those Unrepresented (Confidential, Professional and Management, and Part Time) employees (attached herein); and

PASSED AND ADOPTED by the City Council of the City of el Paso de Robles this 7th day of April, 2009 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Mayor Duane Picanco

ATTEST:

Cathy David, Deputy City Clerk

SUPPLEMENTAL MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF PASO ROBLES
AND
THE PASO ROBLES PROFESSIONAL FIREFIGHTERS
IAFF, LOCAL 4148

This Supplemental Memorandum of Understanding modifies the Memorandum of Understanding between the City of El Paso de Robles and the Paso Robles Professional Firefighters IAFF, Local 4148 for the period of April 1, 2006 to March 31, 2010. Upon the signing of this supplemental Memorandum, the 2006-2010 MOU shall be modified to incorporate these changes.

ARTICLE V – COMPENSATION

1. SALARIES

The City and Union agree that all salary increases scheduled for April 1, 2009 shall be deferred to March 31, 2010.

ARTICLE VI – LEAVES

2. SICK LEAVE


Shall be amended to read:

- D. Personal Leave. Fire Platoon Duty Personnel shall be eligible for 36 hours of Personal Leave. Personal Leave may be requested throughout the year to handle matters which cannot reasonably be scheduled off duty. *Except as determined by the Fire Chief, Personal Leave may not be taken if it would require backfill.*

Except as provided herein, the Memorandum of Understanding between the City and IAFF, Local 4148 remains in full force and effect. This supplemental Memorandum of Understanding shall be incorporated into the Memorandum of Understanding between the City and Union for the contract period beginning April 1, 2006 through March 31, 2010.

FOR THE CITY OF EL PASO DE ROBLES

FOR THE PASO ROBLES
PROFESSIONAL FIREFIGHTERS
IAFF, LOCAL 4148



SUPPLEMENTAL MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF PASO ROBLES
AND
THE PASO ROBLES POLICE OFFICERS ASSOCIATION

This Supplemental Memorandum of Understanding modifies the Memorandum of Understanding between the City of El Paso de Robles and the Paso Robles Police Officers Association for the period of April 1, 2006 to March 31, 2010. Upon the signing of this supplemental Memorandum, the 2006-2010 MOU shall be modified to incorporate these changes.

SECTION 2. TERM

The term of this Agreement shall be sixty (60) months, commencing April 1, 2006 and shall remain in effect until March 31, 2011; and also from year to year thereafter unless and until one of the parties fulfils the conditions of Section 3, Renegotiations.

SECTION 5. SALARIES

The City and Association agree that all salary increases scheduled for April 1, 2009 and October 1, 2009 shall be deferred to April 1, 2010 and October 1, 2010, respectively.

SECTION 7. OVERTIME

Subsection A shall be modified to read:

At the request of any employee eligible for overtime pay, the Chief of Police may provide that in lieu of cash payment for any overtime, the employee may be allowed time-and one-half off with pay for each hour of overtime worked. Any such time off shall be taken at a time mutually agreed upon by the employee and the Chief of Police. Employees may accrue a maximum of one-hundred-eighty (180) hours of compensatory time. In the event that such time off is not taken by the employee, he/she shall be given cash payment for the overtime hours worked at the time-and-one-half overtime rate based on the employee's regular rate of pay.

SECTION 11. SICK LEAVE

Subsection D shall be modified to read:

Personal Leave. Effective immediately, an employee may use three (3) sick days (24-36 hours depending upon shift, i.e., 24 hours for an 8 hour shift, 36 hours for a 12 hour shift, etc.) per year which shall be designated as "personal leave days".

In no case shall personal leave days be taken in excess of three (3) in any one calendar year. Personal leave days shall not be counted against an employee's sick time usage for evaluation purposes.

SECTION 12. VACATION

The last paragraph shall be modified to read:

Employees who have accrued vacation and/or compensatory time off at least equal to three weeks shall have the option of receiving pay in lieu of time off for one week of the accrued time per year. Payment shall be made at straight time.

SECTION 21. ACTING WATCH COMMANDER

Shall be modified to read:

Effective with the adoption of this supplemental agreement, individuals in the Police Officer classification assigned as Acting Watch Commander shall be paid Two and One-Half (2.5%) percent of base pay per shift. Payment will be made only upon specific assignment by the Chief of Police or his designee and only when the Watch Commander is absent for four (4) hours of a full shift or longer.

SECTION 22. TRAINING PAY

Shall be modified to read:

Effective with the adoption of this supplemental agreement, individuals in the classification of Police Officer or Dispatcher who are assigned a Trainee as part of a formal training program shall be paid Two and One-Half (2.5%) percent of base pay per shift. Payment will be made only upon specific assignment by the Chief of Police or his/her designee.

NEW SECTION

The City and Association mutually acknowledge that the City's layoff prevention (dated May 19, 1992) is in effect.

Except as provided herein, the Memorandum of Understanding between the City and Association remains in full force and effect. This supplemental Memorandum of Understanding shall be incorporated into the Memorandum of Understanding between the City and Association for the contract period beginning April 1, 2011.

FOR THE CITY OF EL PASO DE ROBLES

FOR THE PASO ROBLES POLICE
OFFICERS ASSOCIATION



SUPPLEMENTAL MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF PASO ROBLES
AND
THE PASO ROBLES CITY EMPLOYEES' ASSOCIATION,
LOCAL 620, SERVICE EMPLOYEES INTERNATIONAL UNION

This Supplemental Memorandum of Understanding modifies the Memorandum of Understanding between the City of El Paso de Robles and the Paso Robles City Employees' Association, Local 620, Service Employees International Union for the period of April 1, 2006 to March 31, 2010. Upon the signing of this supplemental Memorandum, the 2006-2010 MOU shall be modified to incorporate these changes.

SECTION 2. SALARY SCHEDULES

The City and Union agree that all salary increases scheduled for April 1, 2009 shall be deferred to March 31, 2010.

SECTION 41. LAYOFF PREVENTION PLAN

Add:

City does not anticipate layoffs given the salary deferral. If circumstances change, the City will give notice to the Union and meet and confer pursuant to the Layoff Prevention Plan.

The parties agree that all represented and non-represented groups will make equivalent sacrifices.

SECTION 54. CERTIFICATION PAY

Add:

The City agrees to conduct a Market/Certification pay study for the classifications of:

Water and Wastewater Supervisors (Technician IV)
Water and Wastewater Treatment Operator (Technician I, II & III)
Water and Wastewater Maintenance Specialist I, II or III positions that require certification.

Study will be completed within 90-days. Mutually agreed upon compensation adjustments (if any) following the meet and confer process will be effective April 1, 2009 or as otherwise agreed upon by the parties.

Except as provided herein, the Memorandum of Understanding between the City and Service Employees International Union, Local 620, SEIU remains in full force and effect. This supplemental Memorandum of Understanding shall be incorporated into the Memorandum of Understanding between the City and Association for the contract period beginning April 1, 2010.

FOR THE CITY OF EL PASO DE ROBLES

SERVICE EMPLOYEES INTERNA-
TIONAL UNION, LOCAL 620, SEIU



3-6-09

March 10, 2009

SUBJECT: Unrepresented Confidential, Professional and Management Group
Agreement to Defer Wages

The Paso Robles Unrepresented Confidential, Professional and Management Group (Management Group) met on January 22, 2009 at which there was a quorum of its members. At that meeting, the topic of contractually scheduled wage increases was discussed.

The Management Group acknowledged the current dire economic times and the severity of financial challenges that face the City organization. As a result, the Management Group agreed, and offered without conditions, to defer their salary increases that were scheduled to occur April 1, 2009.

Respectfully submitted on behalf of
the Unrepresented Confidential,
Professional and Management Group:



Meg Williamson, Assistant City Manager

Accepted by the City:

James. L. App, City Manager