

TO: James L. App, City Manager  
FROM: Meg Williamson, Assistant City Manager  
SUBJECT: IAFF Local 4148 (Firefighters) - Memorandum of Understanding  
DATE: November 5, 2013

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NEEDS: For the City Council to approve the Paso Robles Professional Firefighters (IAFF Local 4148) union labor contract through December 31, 2013.

- FACTS:
1. The City has experienced unprecedented financial challenges since 2008. Organizational spending has been dramatically reduced by reducing staffing approximately 35% and suspending contractually guaranteed wage and benefit adjustments.
  2. Labor contracts provided for salary adjustments effective April 1, 2009. However, employees deferred those wage and benefit adjustments through June 2012 (39 months). Employees also agreed to a less costly second tier retirement plan for future employees.
  3. While there are some reliable indicators that the economy is on the mend, the City remains fiscally conservative until there are stronger signs of recovery.
  4. All labor groups, including the IAFF (Professional Firefighters Union) Local 4148, were asked to "hold the line" on any wage adjustments for an additional contract year.
  5. The City and the IAFF have been in good faith discussions for approximately 18 months, with the last 15 months having the IAFF working out of contract.
  6. The current contract is proposed to cover an 18 month period (from July 1, 2012 through December 31, 2013) providing a brief break in negotiation discussions that will start again shortly, this year.

ANALYSIS &

CONCLUSION: Although the Paso Robles economy is showing some signs of stability and even modest recovery in retail sales and tourism, the long term stability of that financial trend is yet to be determined. The proposed 18 months of unchanged wage / benefits will assist in the City's financial recovery, at which time the contract terms will be reassessed.

POLICY

REFERENCE: California Government Code, Municipal Code Sec. 2.40.030(c), Layoff Prevention Plan dated 1992, and Resolution 06-202 (amending salary contract with the IAFF). Resolutions 09-037, 09-130 and 10-026 accepting offers by all/various employee groups to defer wages for a cumulative 27 months. Resolution 11-119 further suspending annual wage and benefit adjustments through June/July 2012.

FISCAL

IMPACT: The 18 months of employee wage and benefit status quo will assist in the current projected financial year end closure "in the black" without spending general fund reserves.

- OPTIONS:
1. Adopt Resolution No. 13- XXX approving an 18-month contract with the IAFF Local 4148 for no change in wage and benefits through December 31, 2013; or
  2. Amend, modify or reject above option.

Attachments:

1. Res. 13-xxx approving an 18-month contract with IAFF through December 31, 2013

RESOLUTION NO. 13-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES  
AUTHORIZING EXECUTION OF A MEMORANDUM OF UNDERSTANDING WITH IAFF  
LOCATE 4148 (PROFESSIONAL FIREFIGHTERS) FOR WAGE AND BENEFITS  
TO REMAIN UNCHANGED THROUGH DECEMBER 31, 2013

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WHEREAS, the City has experienced unprecedented financial challenges since 2008 which required organizational spending be dramatically reduced; and

WHEREAS, labor contracts provided for salary adjustments effective April 1, 2009, but employees deferred those wage and benefit adjustment through June 2012 (39 months); and

WHEREAS, while there are some reliable indicators that the economy is on the mend, the City remains fiscally conservative until there are stronger signs of recovery; and

WHEREAS, all labor groups were requested to "hold the line" on any wage adjustments for an additional contract year; and

WHEREAS, the IAFF Local 4148 and City have been engaged in good faith discussions over the past 18 months, with the last 15 months having the firefighters out of contract; and

WHEREAS, the IAFF Local 4148 has offered/agreed to an 18-month contract period without adjustments to wages (through December 31, 2013) providing a brief break in negotiation discussions.

NOW, THEREFORE, LET IT BE RESOLVED by the City Council of the City of El Paso de Robles to accept the mutually agreed upon offer from IAFF for an 18-month contract with no change in wage and benefits through December 31, 2013, and hereby authorize the City Manager to execute a Memorandum of Understanding (MOU) with the IAFF (Exhibit A) attached herein.

PASSED AND ADOPTED by the City Council of the City of el Paso de Robles this 5<sup>th</sup> day of November 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

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Duane Picanco, Mayor

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Caryn Jackson, Deputy City Clerk