



Council Agenda Report

From: Meg Williamson, Assistant City Manager
Subject: Memorandum of Understanding with Professional Firefighters (IAFF, Local 4148)
Date: December 5, 2017

Facts

1. The Paso Robles Professional Firefighters' (IAFF, Local 4148) Memorandum of Understanding (i.e., labor agreement) was set to expire December 2016. Discussions with IAFF representatives to extend their labor agreement have been occurring in good faith since October 2016.
2. Since the onset of the recession in 2008, all employee groups deferred wage and benefit adjustments for a cumulative total of three years and three months. In that time, a contractually agreed upon wage adjustment that was due to Fire in April 2009 was paid in 2012 as part of a reconfigured agreement for additional employee retirement cost sharing (Fire wages increased by 9%, but employees began paying 9% towards CalPERS retirement costs). Wages remained unchanged until January 1, 2014, at which point a 3% adjustment was provided. There was no change in wages in 2015; in 2016, a 2% wage adjustment was provided along with an increase in monthly medical premium contribution.
3. At the City Council's request, an in-depth presentation on employee compensation structure and CalPERS retirement costs was presented at a public workshop on September 28, 2016. The meeting was well attended by city employees and labor group representatives. The educative presentation was broadly shared in subsequent information sessions with employee groups at their request.
4. The conclusions of the workshops and subsequent discussions with the IAFF employee group were that the City and IAFF are aligned in seeking fair and reasonable changes to the CalPERS system to ensure long-term sustainability of the system. Some changes can be achieved at the local level, but the majority of needed changes can be accomplished only at the state level, through changes by the CalPERS Board and the Legislature.
5. Analysis of wages paid to sworn personnel in the San Luis Obispo County market area showed that Paso Robles firefighters are paid approximately 12% below the market average. The City Council authorized negotiation parameters in a series of closed session meetings that occurred in 2016 and 2017. The City Council's parameters were clear that any negotiated change in employee compensation must be tied to employees picking up additional share of their retirement costs.
6. Consistent with the City Council's direction, the extended MOU with IAFF proposes a 2-year term (from January 1, 2017 to December 31, 2018) with wage adjustments and additional employee pick up of CalPERS costs as follows: Year one – 4.5% wage adjustment with 3% pick up of PERS costs per Section 20516 (upon the affirmative vote of affected employees the contribution will be credited to the employees' account); Year two – 4.5% wage adjustment with 3% pick up of PERS costs per Section 20516 (upon the affirmative vote of affected employees the contribution will be credited to the employees' account), plus 1.5% market adjustment in July 2018. The MOU also provides revised language in the areas of Medical Coverage Opt-out (clarifying proof of alternative coverage), implementation of Vacation Accrual caps in conjunction with an increased vacation cash-out schedule, and Vacation Leave cash-out policies (to align with IRS requirements).

7. The IAFF employee membership has voted to accept the Tentative Agreement reached through the negotiation process. There is no retroactive salary adjustment proposed, but the MOU provides for a payment of \$500 to all unit members upon its ratification.
8. As soon as practicable, the City will initiate a contract change and administrative steps with CalPERS for employees to contribute an additional 3% towards their retirement costs for Year one of their contract. A schedule for implementation of the contract change will be generated by PERS, and steps will include future City Council action on a Resolution of Intention to modify the contract along with a formal employee election process. The Year two contract change for an additional 3% cost sharing will be initiated after the completion of the Year one process.

Options

1. Take no action.
2. Approve Resolution No. 17-XXX authorizing the City Manager to execute a Memorandum of Understanding (MOU) with the Paso Robles Professional Firefighters (IAFF, Local 4148).
3. Provide alternative direction as may be appropriate.

Analysis and Conclusions

Option 1: No action by the City Council would delay implementation of a Memorandum of Understanding that is consistent with previously established negotiation parameters.

Option 2: The proposed IAFF Memorandum of Understanding is consistent with both the fiscal parameters established by the City Council and the provision that the employees begin contributing an additional share of the cost towards their CalPERS retirement plans. In the face of state and national economic trends and the benchmark analysis of our local wage market, the pay adjustments are warranted, as is the retirement cost sharing.

Option 3: Should the City Council identify additional terms that are within the context of the tentative agreement already reached with IAFF, such direction can be considered. However, it is difficult to envision alternative directions that would not conflict with established negotiation protocols under state labor law.

Fiscal Impact

The cost of implementing the Net 1.5% salary increases in Year one of the contract (4.5% when the CalPERS contract and cost sharing is revised for the 3% employee pickup and \$500/employee upon ratification) is approximately \$85,000 for FY17-18. The cost of implementing the Net 1.5% salary increases in Year two of the contract (4.5% when the CalPERS contract and cost sharing is revised for the additional 3% employee pickup, and the 1.5% market wage adjustment for sworn personnel in July 2018) is approximately \$130,000 in FY18-19 and annually thereafter. An appropriation of General Fund operational funds for FY17-18 is required to implement this agreement, and ongoing operational costs will be part of the subsequent review of the next two-year budget.

Recommendation

Approve Resolution 17-XXX: 1). authorizing the City Manager to execute a Memorandum of Understanding (MOU) with the Paso Robles Professional Firefighters (IAFF, Local 4148), as attached therein; and 2). appropriating \$85,000 in FY17-18 to implement the agreement.

Attachments

1. Resolution 17-XXX approving the 2017-19 IAFF MOU. [Please note: the MOU itself, which is Exhibit A, is still being finalized, and will be circulated separately, as soon as possible.]

RESOLUTION NO. 17-XXX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
AUTHORIZING IMPLEMENTATION OF A WAGE AND BENEFIT AGREEMENT WITH THE
PASO ROBLES PROFESSIONAL FIREFIGHTERS (IAFF, LOCAL 4148)
THROUGH DECEMBER 31, 2018

WHEREAS, the labor agreement with the Paso Robles Professional Firefighters (IAFF, Local 4148) expired in December 2016 and the City has been engaged in good faith labor discussions since fall of 2016; and

WHEREAS, since the onset of the recession in 2008, all employee groups deferred wage and benefit adjustments for a cumulative total of three years and three months. In that time, a contractually agreed upon wage adjustment that was due to Fire in April 2009 was paid in 2012 as part of a reconfigured agreement for additional employee retirement cost sharing (Fire wages increased by 9%, but employees began paying 9% towards CalPERS retirement costs). Wages remained unchanged until January 1, 2014, at which point a 3% adjustment was provided. There was no change in wages in 2015, and then in 2016, a 2% wage adjustment was provided along with an increase in monthly medical premium contribution; and

WHEREAS, at the City Council's request, an in-depth presentation on employee compensation structure and CalPERS retirement costs was presented at a public workshop on September 28, 2016 where the meeting was well attended by city employees; and

WHEREAS, the conclusions of the workshops and subsequent discussions with the IAFF were that the City and the IAFF are aligned in seeking fair and reasonable changes to the CalPERS system to ensure long-term sustainability of the system; and

WHEREAS, some changes can be achieved at the local level, but the majority of needed changes can be accomplished only at the state level, through changes by the CalPERS Board and the Legislature; and

WHEREAS, the City Council authorized negotiation parameters in a series of closed session meetings that occurred in 2016 and 2017 where the City Council's parameters were clear that any negotiated change in employee compensation must be tied to employees picking up additional share of their retirement costs; and

WHEREAS, the IAFF and City Council have agreed to a 2-year term (from January 1, 2017 to December 31, 2018) with wage adjustments and additional employee pick up of CalPERS costs as follows: Year one – 4.5% wage adjustment with 3% pick up of PERS costs per Section 20516 (upon the affirmative vote of affected employees the contribution will be credited to the employees' account); Year two – 4.5% wage adjustment with 3% pick up of PERS costs per Section 20516 (upon the affirmative vote of affected employees the contribution will be credited to the employees' account), plus 1.5% market adjustment in July 2018 ; and

WHEREAS, the IAFF membership will work collaboratively with the City to implement CalPERS retirement system solutions; and

WHEREAS, as soon as practicable, the City will initiate a contract change and administrative steps with CalPERS for employees to contribute an additional 3% towards their retirement costs for year one of the contract, and an additional contract change in year two for an additional 3% employee cost sharing.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. All of the above recitals are true and correct and incorporated herein by reference.

Section 2. The City Council hereby authorizes the City Manager to implement the Memorandum of Understanding (MOU) dated January 1, 2017 – December 31, 2018 with the Paso Robles Professional Firefighters (IAFF, Local, 4148) as attached herein as Exhibit A.

Section 3. The City Council hereby appropriates \$85,000 of the General Fund in FY17/18 to implement the agreement.

APPROVED this 5th day of December, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Steven W. Martin, Mayor

ATTEST:

Kristen L. Buxkemper, Deputy City Clerk

**MEMORANDUM OF AGREEMENT BETWEEN
THE CITY OF EL PASO DE ROBLES
AND THE
PASO ROBLES PROFESSIONAL FIREFIGHTERS
IAFF, LOCAL 4148**

January 1, 2017 to December 31, 2018

Approved on _____ via City Council Resolution _____

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**MEMORANDUM OF AGREEMENT BETWEEN
THE CITY OF EL PASO DE ROBLES
AND THE
PASO ROBLES PROFESSIONAL FIREFIGHTERS
IAFF, LOCAL 4148**

January 1, 2017 to December 31, 2018

ARTICLE I - TERM OF MEMORANDUM OF AGREEMENT

The term of the Memorandum of Agreement shall be for 24 months commencing on January 1, 2017, and expiring on December 31, 2018. Meet and confer shall commence no later than December 1, 2018.

- a) It is agreed and understood that during the negotiations which culminated in this Agreement, each party enjoyed and exercised without restraint, except as provided by law, the right and opportunity to make demands and proposals or counter-proposals with respect to any matter subject to “meet and confer” and that the understandings and agreement arrived at after the exercise of that right are set forth in this Agreement. The parties agree, therefore, that the other shall not be required to negotiate with respect to any subject matter, whether referred to or not in this Agreement.
- b) Any provisions, alteration, understanding, waiver or modification of any of the terms or provisions contained in this Agreement shall not be binding on the parties unless made and signed in writing by all of the parties to this Agreement, and if required, approved, and implemented by the City Council.
- c) The waiver of any breach, term, or condition of this Agreement by either party shall not constitute a precedent in the future enforcement of all its terms and provisions.

ARTICLE II – UNION RIGHTS

1. AGENCY SHOP

Pursuant to legislation enacted by SB 739 and amendment to the Meyers-Milias-Brown Act, the City and the Union agree to abide by the following provisions as they relate to an agency shop.

- 1. Agency Shop as defined under Meyers-Milias-Brown means “an arrangement that requires an employee, as a condition of continued employment, either to join the recognized employee organization, or to pay the organization a service fee in an amount not to exceed the standard initiation fee, periodic dues, general assessments of the organization.” The City and the Union agree that an agency shop arrangement between the City and Union has been placed in effect pursuant to a secret ballot election of bargaining unit members:

2. Any employee who is a member of a bona fide religion, body, or sect that has historically held conscientious objections to joining or finally support public employee organizations shall not be required to join or financially support any public employee organization as a condition of employment. Such employees shall be required, in lieu of periodic dues, initiation fees, or agency fees, to pay sums equal to the dues, initiation fees, or agency fees to a nonreligious, nonlabor charitable fund exempt from taxation under Section 501(C)(3) of the Internal Revenue Code, chosen by the employee from a list approved by the City for the purpose of payroll deductions. Proof of the payments shall be made on a bi-weekly deduction report to the Union as a condition of continued exemption from the requirement of financial support to the Union.
 - (a) To qualify for the religious exemption, the employee must provide to the Union, with a copy to the City, a written request for the exemption, along with verifiable evidence of membership in a religious body as described above. The City will implement the religious exemption within thirty (30) days of the written request unless notified by the Union that the requested exemption is not valid.
3. Covered employees shall execute written authorization for either Union dues deductions, the agency fee, or, if eligible, the charitable contribution. In the absence of a written authorization, the City shall deduct the agency fee from the employees pay check. The City agrees to promptly remit to the union all monies deducted accompanied by a "Bi-weekly Agency Fee Deduction report" to include the names, social security numbers and amounts of deductions in the same manner and timeframes as the current provision of the dues deduction reports.
4. This agency shop provision may be rescinded by a majority vote of all the employees in the unit covered by the Memorandum of Understanding, provided that:
 - (a) A request for such a vote is supported by a petition of at least 30% of the employees in the bargaining unit;
 - (b) The vote is by secret ballot;
 - (c) The vote may be taken at any time during the term of the Memorandum of Understanding, but in no event shall there be more than one vote taken during the term.
5. An agency shop arrangement shall not apply to management, confidential, or supervisory employees.
6. The Union shall keep an adequate itemized record of its financial transactions and shall make available annually, to the City and to the employees who are members of the organization, within 60 days after the end of its fiscal year, a detailed written financial report thereof in the form of a balance sheet and an opening

statement, certified as to accuracy by its president and treasurer or corresponding principal officer, or a certified public accountant.

7. The Union shall indemnify and hold the City harmless against any liability arising from any claims, demands, or other action relating to the City's compliance with the agency shop obligation. The Union shall comply with all statutory and legal requirements with respect to Agency Shop.

2. DUES DEDUCTIONS

The City and Union agree that requests for, changes in, and cancellations of Union dues and other deductions referenced in this Article, shall be promptly processed through the Union and put into effect at the employee's, or in the case of authorized changes pursuant to the Union's bylaws at the Union's request. Deductions may vary by employee. Changes will be processed as soon as practical. Deductions shall be made from each pay check and remitted to the Union biweekly.

The City agrees to promptly provide to the Union a list of employees hired or transferred into the unit including; at a minimum, the name, class title, department, and division location.

The Union agrees to indemnify and hold the City harmless from any liabilities which may arise as a result of the application of this Article. Requests for deductions shall be made on Union Authorized cards in accordance with applicable State law. Changes to the Union authorized card shall require approval by the City in advance.

3. UNION BUSINESS

The City shall allow employees who are members of the Executive Board or their designated representatives of the Paso Robles Professional Firefighters, Local 4148, to conduct business on paid City time for such items as negotiations, grievance resolution, and/or any meetings with either City Administration or the Fire Department Management on matters within the scope of representation. Remaining Union business should be scheduled outside of normal work hours, (i.e. 0800 to 1700 hours), except employee lunch periods and breaks.

The City will allow paid time off for up to forty-eight (48) hours per quarter for officers of Local 4148. This time will be used for official Union business representing Local 4148.

- a. Interoffice Mail, E-Mail, Bulletin Boards, and Computers:

The Union shall have access to interoffice mail, existing bulletin boards, e-mail, and computers in the department employee work areas, for the purpose of posting, transmitting, or distributing notices or announcements that pertain to Local 4148

official business. Such permission is given with the understanding that no political inflammatory, or derogative information will be distributed.

b. Use of Meeting Places:

The Union shall have the right to reserve City meeting and conference rooms. Such meeting places will be made available in conformity with the City regulations and subject to the limitations of prior commitment. The Union shall have the right to use Fire Stations for Union meetings with notification made to the Fire Chief or his/her designee at least three (3) days in advance of any regular or special meeting, and at least one (1) day in advance of any emergency meeting conducted within the City facility. There shall be no more than one (1) regular meeting per month. All meetings shall be conducted outside of the normal "work day". The City will allow out-of-district meetings, while remaining in service within the City of Paso Robles for on-duty personnel for up to three (3) hours, unless otherwise approved by a Chief Officer.

4. MANAGEMENT RIGHTS

In order to ensure that the City shall continue to carry out its public health and safety functions, programs, and responsibilities to the public imposed by law, and to maintain efficient service for the citizens of El Paso de Robles, the City continues to reserve and retain solely and exclusively all management rights, regardless of the frequency of use, including those rights set forth in the City's Personnel Rules and Regulations Ordinance and including, but not limited to, the following rights:

- a) To manage all City department and determine policies and procedures and the right to manage the affairs of those departments.
- b) To determine the existence or non-existence of facts which are the basis of the management decision in compliance with State Law.
- c) To determine the necessity, organization, implementation, and termination of any service or activity conducted by the City or other Government jurisdictions and to expand or diminish municipal services as needed.
- d) To direct, supervise, recruit, select, hire, evaluate, promote, transfer, discipline, discharge, terminate, demote, reduce, suspend, reprimand, withhold salary increases and benefits for disciplinary reasons, or otherwise discipline employees in accordance with City Rules, Regulations, and Ordinances.
- e) To determine the nature, manner, means, extent, type, times, quantity, technology, standard, and level of municipal services to be provided to the public.
- f) To require performance of other health and safety services not specifically stated herein in the event of emergency or disaster, as deemed necessary by the City.

- g) To lay-off employee of the City because of lack of work or funds or under conditions where continued work would be inefficient or non-productive or not cost effective, as determined by the City.
- h) To determine and/or change the City facilities, methods, technology, equipment, operations to be performed, organizational structure, and allocate and assign work by which the City operations and services are to be conducted.
- i) To determine the method of financing.
- j) To plan, determine, and manage the City's budget which includes, but is not limited to, changes in the number of relocations, and types of operations, processes, and materials to be used in carrying out all City functions and the right to contract or subcontract any work or operations of the municipal services.
- k) To determine the size and composition of the City's work force, assign work to employees of the City in accordance with requirements determined by the City and to establish and require compliance to work hours and changes to work hours, work schedules, including call back, standby and overtime, and other work assignments, except as otherwise limited by this agreement, or subsequent agreements.
- l) To establish and modify goals and objectives related to productivity and performance programs and standards, including but not limited to, quality and quantity, and require compliance therewith.
- m) To determine qualifications, skills, abilities, knowledge, selection procedures and standards, job classification, job specifications and to reallocate and reclassify employees in accordance with City Rules and Regulations.
- n) To determine the issues of public policy and overall goals and objectives of the City and to take necessary action to achieve the goals and objectives of the City.
- o) To hire, transfer intra or inter Department/Division, promote, reduce in pay grade, demote, reallocate, terminate, and take other personnel action for non-disciplinary reasons in accordance with Department and/or City Rules, Regulations, and Ordinances.
- p) To determine policies, procedures, and standard for recruiting, selecting, training, and promoting employees.
- q) To establish, implement, and/or modify rules and regulations, policies, and procedures related to productivity, performance, efficiency, personal appearance standards, code of ethics and standards of conduct, safety, health and order, and to require compliance therewith.

- r) To maintain order and efficient City facilities and operation.
- s) To restrict the activity of an employee organization on City facilities and operations.
- t) To take any and all necessary steps and actions to carry out the service requirements and mission of the City in emergencies or any other time deemed necessary by the City not specified above.

Should the City's exercise of its rights under this section substantively impact matters within the scope of representation, it will give notice to Local 4148 and upon request meet and confer on the impact of its discussion(s).

ARTICLE III – DEPARTMENT POLICIES AND PROCEDURES

1. New or revised policies, procedures, and guidelines shall continue to be prepared at the Chief's direction.
2. Local 4148 acknowledges the City will subscribe to and implement the Lexipol Policy Management system.
3. Each new or revised policy, procedure, or guideline written shall be provided to the Union at least 15 days prior to its scheduled implementation.
4. If a new or revised policy, procedure, or guideline materially impacts any matter within the scope of representation, the parties agree to promptly meet and confer, upon the request of the Union.
5. Notice of the Union's desire to meet and confer shall be made within the 15 day period.
6. During the meet and confer process, the parties will attempt to reach a mutually acceptable resolution of any disputed item.
7. Failure to reach an agreement on any matter within scope shall result in the matter being referred to the City's impasse procedure.

ARTICLE IV – WORK HOURS

1. DEFINITIONS

Fire Platoon Duty Personnel: Fire personnel hired to perform specific duties on a Fire Department Work Schedule.

2. WORK PERIOD

Fire platoon duty personnel shall be scheduled for a twenty-four (24) day work period and will be assigned 24 hours shifts (8 in 24 schedule). The schedule shall be a repeating two (2) day on four (4) day off cycle. Shifts will start and end at 0800 hours. Fire platoon duty personnel will work 182 hours per work period and will be paid within the guidelines of the Fair Labor Standards Act (FLSA). At the discretion of the Fire Chief, the work schedule may be revised to provide alternate scheduling of days on/off. If necessary, the FLSA work period may be modified to accommodate this change. Fire Platoon Duty Personnel shall continue to work the equivalent of a 56 hour week. Newly hired personnel may be assigned to a forty (40) hour week for training purposes. Appropriate adjustments will be made to the hourly rate, handling of leaves, etc.

3. WORK SHIFT

The work shift shall be twenty-four (24) hours.

4. PAY DAYS

During the term of the MOA, the City will pay regular pay checks on a bi-weekly basis. Each pay check will include one twenty-sixth (1/26th) of the assigned yearly salary rate in compensation for 112 standard/straight time hours with appropriate adjustments. Regular checks shall be available after 1200 hours on the designated pay days.

Direct deposit shall be mandatory for all employees.

ARTICLE V – COMPENSATION

1. SALARIES

All unit employees shall receive a one-time payment of \$500 on or before the second pay period following ratification of this agreement.

4.5% concurrent with the initial increased retirement contribution set forth in Article VII.

4.5% effective July 1, 2018

1.5% market adjustment also effective July 1, 2018

2. EDUCATIONAL REIMBURSEMENT POLICY

The maximum fiscal year reimbursement shall be \$3000.00. Other provisions of the Educational Reimbursement Policy shall remain unchanged for the term of the agreement.

3. OVERTIME

All authorized overtime in excess of one hundred eighty-two (182) hours over a twenty-four (24) day work period shall be compensated in pay or compensatory time off at the rate of time and one half. Overtime over eight (8) minutes but less than thirty-eight (38) minutes shall be rounded to the thirty (30) minutes.

4. COMPENSATORY TIME OFF

Employees shall be allowed to elect compensatory time off to a maximum accrual of 144 hours:

Time off will be scheduled by mutual agreement of the employee and the Fire Chief. It is understood that compensatory time off will not be approved in the absence of qualified replacement personnel, in cases of high fire danger, when personnel are out of area due emergency assistance to other agencies, and as established within Departmental policy parameters. Employees denied requested compensatory time off may, at their option, receive pay in lieu.

5. CONSTANT STAFFING

Fire Platoon Duty Personnel may be required to work at the discretion of management to ensure adequate department staffing.

6. EMERGENCY RECALL

If Fire Platoon Duty Personnel are called back in an emergency, they shall be compensated with a minimum of two (2) hours at time and one-half.

7. BILINGUAL PAY

The City agrees to pay One Hundred (\$100) Dollars per month for verbal only bilingual skills and an additional twenty-five (\$25) Dollars per month for written bilingual skills (a combined maximum of \$125 per month for both verbal and written) per qualified employee to provide bilingual services. Employees shall be required to pass qualifying examinations administered by the City to determine the proficiency for bilingual assignments, including recertification every 5 years.

8. COURT PAY

Unit personnel may be assigned on call for court appearances by their supervisor. When assigned, the employee(s): 1) must be immediately available by telephone; 2) must be able to respond to court within thirty (30) minutes; 3) will receive two (2) hours pay at straight time for morning court assignments; and if held over an additional two (2) hours pay for afternoon court assignments.

Employees are responsible for calling in to determine if they have been released from court on-call assignment.

If called to Court, the firefighter will receive normal compensation for time worked.

9. WORKING OUT OF CLASS PAY

When an employee covered by the provisions of this agreement is temporarily assigned in writing to and performs all of the duties of a higher, vacant position in a higher classification whose salary range is at least five (5%) percent higher than the range of the employee's regular classification, that employee shall be compensated at the lowest step in the higher classification that provides an increase to the assigned employee of at least five (5%) percent.

Firefighters selected to and assigned to work as Acting Captains shall be eligible for compensation pursuant to this section effective the first working day of the assignment.

The City will develop a sixteen (16) hour training program which eligible individuals must complete prior to being placed in an acting Fire Captain position.

Concurrent with sixteen (16) hour training program, individual shall complete at least ten (10) emergency calls during which the City will monitor their performance.

The City will conduct a Fire Captain examination every eighteen (18) months.

10. INCENTIVE PAYS

Unit employees possessing the certification and assigned to work as Hazardous Materials Specialists shall receive additional compensation of two (2%) percent of base pay.

Effective January 1, 2014 Unit employees possessing certification of a Driver/Operator shall receive additional compensation of three and one quarter (3.25%) percent of base pay. The City and IAFF will explore folding Driver/Operator compensation into base pay.

Unit employees possessing certification as a Fire Officer shall receive additional compensation of Sixty (\$60) Dollars or one (1%) percent of base pay.

In a case where the conversion to percentage incentive pay would be less than the static monthly rate already received by an employee, the higher rate shall apply.

ARTICLE VI – LEAVES

1. VACATION LEAVE

Vacation leave with pay shall be in accordance with the following schedule:

YEARS OF SERVICE

VACATION ACCRUALS

0-2 years	96.00 hours
3-4 years	120.00 hours
5-6 years	144.00 hours
7-8 years	168.00 hours
9-10 years	192.00 hours
11-12 years	216.00 hours
13+ years	240.00 hours

Effective July 1, 2018 two vacation banks shall be established:

- 1) A historical bank to include all hours on the books as of July 1, 2018. These hours shall remain in the employee's bank until used or paid off.
- 2) A new bank to include all newly accrued hours. The maximum accrual shall be two times the employee's annual maximum. Accrual to cease if maximum is reached.

Vacation Buy Back (effective 2018 – first election period in December 2017):

The City has revised its Paid Time Off Cash-Out Policy. Twice per year, employees will have the option to declare their intent to cash out accrued vacation and/or compensatory time off under the following conditions:

- Employee must have taken one (1) consecutive week of vacation and/or compensatory time off in the previous 12-month period
- Hours cashed out shall be paid at straight time
- In December of each year, employees can declare their intent to cash out the leave (or a portion of the leave) they earn during the period January – June; they will be paid for it in July
- In June of each year, employees can declare their intent to cash out the leave they earn during the period July – December; they will be paid for it in January
- Once an election is made it cannot be rescinded

Employees will be required to complete the City's standardized election form.

Weeks shall be interpreted based on the workweek for the affected employee, i.e. 40 or 56 depending upon the assignment.

2. SICK LEAVE

Fire Platoon Duty Personnel are granted sick leave at the rate of eleven point one seven (11.17) hours per month.

- A. Absence Requirements. Sick leave with pay shall be granted by the Fire Chief in case of a bona fide illness or disability or disability of the employee or in the event of illness or death of a relative (meaning spouse, parent, child, sister, brother, grandparent, or grandchild and the corresponding relative by marriage).

- B. Bereavement. Fire Platoon Duty Personnel shall receive 48 hours per occurrence of Bereavement Leave.
- C. Workers Compensation/SDI. Employees receiving temporary payments from either of these programs may use accumulated sick leave, normal vacation and/or CTO in order to maintain, but not exceed, his/her regular base pay.
- 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 schedule off duty. Except as determined by the Fire Chief, personal leave may not be taken if it would require backfill. Personal leave requests shall be made directly to the Duty Chief (on-duty chief officer).

3. HOLIDAYS

Fire Platoon Duty Personnel shall be granted eleven (11) hours holiday pay per month. Holiday pay will be paid at the rate of 5.077 hours per pay period. For the 2013 calendar year only, holiday pay will be increased by 11.2 hours (.43 hours per pay period).

4. FAMILY LEAVE

Personnel rule language shall be consistent with State and Federal Law.

5. MILITARY LEAVE

Military Leave is governed by State and Federal Law.

ARTICLE VII – FRINGE BENEFITS

1. INSURANCE

A. Life Insurance. During the term of the MOA, the City shall pay to the insurance carrier one hundred (100%) percent of all employee’s premiums payable. All eligible employees shall be covered by a \$40,000 coverage plan with double indemnity.

B. Medical Effective January 1, 2017
 Employees will have the choice of available plans offered by CalPERS. The City will pay up to the following total monthly amounts for selected plans:

Employee only	\$697.23
Employee +1	\$1,157.85
Employee +2	\$1,504.01

These amounts are inclusive of the CalPERS minimum medical insurance contribution. The balance is designated as a cafeteria plan contribution.

Employees providing evidence of other group medical insurance that provides minimum essential coverage for themselves and all family members (for whom they reasonably expect to claim a personal exemption deduction for the taxable year) and opting out of CalPERS medical coverage will qualify to receive a cash payment of \$300 per month. Coverage in the individual market, whether or not from the insurance marketplace (like Covered California) will not qualify the employee for the opt out cash payment. Employees will be required to submit proof of their qualified coverage prior to beginning of each calendar year, and are also required to review and sign the opt-out attestation.

Future Premium Rate Changes

For the term of this agreement, for medical insurance, the City will modify its maximum dollar contribution by an amount equal to 100% of the employee only premium and three quarters (3/4) of premium increases for employee and dependent(s). Employee shall be responsible for the remaining one quarter (1/4) of any increases. The PERS Choice plan will be used for calculating the change in medical premiums

- C. Dental. The Delta Dental Plan will be offered to all units. City and employee contributions will be as follows:

Employee Only	City pays 100%	
Family	City pays \$91.72;	Employee pays \$6.28

- D. Vision Coverage. During the term of this Memorandum of Understanding the City shall provide a vision insurance plan for all unit employees. City and employee contribution will be as follows:

Employee Only	City pays 100%	
Family	City pays \$25.40;	Employee pays \$.00

For the term of this agreement, for both dental and vision insurance, the City will modify its maximum dollar contribution by an amount equal to 100% of the employee only premium and three quarters (3/4) of premium increases for employee and dependent(s). Employees shall be responsible for the remaining one quarter (1/4) of any increases.

Benefits shall be those in effect on the ratification date of this agreement or as subsequently agreed to by the parties.

The City shall maintain and pay for all existing levels of insurance benefits for twelve (12) months for the surviving family of an employee who dies in the line of duty.

2. RETIREMENT

Tier 1 - Employees hired prior to May 27, 2012, shall be as follows:

- 3.0%@ 55 benefit formula.
- Employee shall pay the nine (9%) CalPERS employee contribution.
- As soon as practicable, City shall initiate a contract change with CalPERS, providing for employees to contribute an additional three percent (3%) into their employee account subject to the election requirements below and pursuant to Section 20516. Following adoption of Resolution of Intention, employees shall hold secret ballot election as required by CalPERS to approve the contract change. Effective the beginning of the pay period following final action by Council to amend the contract with CalPERS, employees will begin paying the additional three percent (3%). The increased contributions will be credited to each member's account as normal contributions. In the event employees do not approve the contract amendment, employees will begin paying the additional contribution of three percent (3%), effective on the first date of the pay period following completion of the secret ballot election. However, the additional contribution of three percent (3%) will not be credited to each member's account.
- In early 2018, City shall initiate an additional contract change with CalPERS, providing for employees to contribute an additional three percent (3%) pursuant to Section 20516, effective on July 1, 2018. Following adoption of Resolution of Intention, employees shall hold secret ballot election as required by CalPERS to approve the contract change. If the employees approve the contract amendment, effective July 1, 2018, employees will begin paying the additional three percent (3%), and the increased contributions will be credited to each member's account as normal contributions. In the event employees do not approve the contract amendment, employees will begin paying the additional contribution of three percent (3%), effective July 1, 2018, however, the additional contribution of three percent (3%) will not be credited to each member's account.
- City shall provide the "twelve highest consecutive months" benefit calculation and credit for unused sick leave option.

Tier 2 - Employees hired on or after May 27, 2012, but before January 1, 2013, and those hired on or after January 1, 2013 who meet the definition of classic member pursuant to the California Public Employees' Pension Reform Act (PEPRA) shall be as follows:

- 3.0%@ 55 benefit formula.
- Employee shall pay the nine (9%) CalPERS employee contribution.

- As soon as practicable, City shall initiate a contract change with CalPERS, providing for employees to contribute an additional three percent (3%) pursuant to Section 20516. Following adoption of Resolution of Intention, employees shall hold secret ballot election as required by CalPERS to approve the contract change. Effective the beginning of the pay period following final action by Council to amend the contract with CalPERS, employees will begin paying the additional three percent (3%). The increased contributions will be credited to each member's account as normal contributions. In the event employees do not approve the contract amendment, employees will begin paying the additional contribution of three percent (3%), effective on the first date of the pay period following completion of the secret ballot election. However, the additional contribution of three percent (3%) will not be credited to each member's account.
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- City shall provide the "36 highest consecutive months" benefit calculation and credit for unused sick leave option.

Tier 3 - Employees hired on or after January 1, 2013 who meet the definition of new member pursuant to PEPR shall be as follows:

- Employee shall pay fifty percent (50%) of the expected normal cost rate, which is currently 11.25%.
- As soon as practicable, City shall initiate a contract change with CalPERS, providing for employees to contribute an additional three percent (3%) pursuant to Section 20516. Following adoption of Resolution of Intention, employees shall hold secret ballot election as required by CalPERS to approve the contract change. Effective the beginning of the pay period following final action by Council to amend the contract with CalPERS, employees will begin paying the additional three percent (3%). The increased contributions will be credited to each members account as normal contributions. In the event employees do not approve the contract amendment, employees will begin paying the additional contribution of three percent (3%), effective on the first date of the pay period following

completion of the secret ballot election. However, additional contribution of three percent (3%) will not be credited to each member's account.

- In early 2018, City shall initiate an additional contract change with CalPERS, providing for employees to contribute an additional three percent (3%) pursuant to Section 20516, effective on July 1, 2018. Following adoption of Resolution of Intention, employees shall hold secret ballot election as required by CalPERS to approve the contract change. If the employees approve the contract amendment, effective July 1, 2018, employees will begin paying the additional three percent (3%), and the increased contributions will be credited to each member's account as normal contributions. In the event employees do not approve the contract amendment, employees will begin paying the additional contribution of three percent (3%), effective July 1, 2018, however, the additional contribution of three percent (3%) will not be credited to each member's account.
- City shall provide the "36 highest consecutive months" benefit calculation and credit for unused sick leave option.

Pursuant to IRS Code Section 414(h)(2) employee paid retirement contributions shall be made on a pre-tax basis.

The interests of the City and IAFF are aligned in that both seek to ensure long-term sustainability of all retirement systems in order to manage City costs.

Changes that are acceptable to both executive management and City labor groups most likely to be initiated by agencies and labor organizations working collaboratively.

The City and IAFF hereby jointly commit to:

- Request membership organizations alert and engage members to make this issue a priority and to commit to a set of collaborative solutions
- Encourage, educate and engage peers (e.g., other cities, other labor groups) to make this issue a priority
- Jointly analyze options with an open mind as to potential solutions, and
- Other collaborative efforts as they arise

3. RETIREE MEDICAL REIMBURSEMENT

Effective with the January 1, 2015 implementation of CalPERS medical insurance the City began paying toward retiree medical insurance for all retirees an amount eventually equal to the CalPERS minimum medical insurance contribution. The amount paid will begin at \$1.00 per month then increase by 5% of minimum contribution annually until the full minimum is reached. Eligible employees shall also receive the amounts set forth below, inclusive of the amounts being paid towards the minimum contribution.

The City agrees to provide the following Retiree Health Benefits provided that retirees have retired from the City of Paso Robles under established PERS Benefit package, and have a minimum of Ten (10) years City service. This provision applies to all regular, full-time City employees.

The City agrees to reimburse the retiree for retiree and/or retiree's dependent health (medical/dental/ vision) insurance premiums, disability insurance, long-term health care or life insurance premiums, provided that retiree has retired under established P.E.R.S. benefit package, up to five hundred (\$500) dollars per month maximum.

Employees with a hire date of 1/1/12 and thereafter with at least twenty (20) years of City service will receive five hundred (\$500) dollars per month maximum **only** until Medicare eligible (age 65).

As soon as possible, the City will provide reimbursement through a Retirement Health Savings Account.

ARTICLE VIII – MISCELLANEOUS

1. PROBATIONARY PERIOD

Fire Platoon Duty Personnel shall complete a twelve (12) month probationary period prior to being granted regular status.

2. UNIFORMS

- A. Fire Platoon Duty Personnel shall wear approved uniforms. A uniform allowance shall be paid at the annual rate of One Thousand Two Hundred (\$1200.00) Dollars which is for the complete maintenance and replacement of pants, shirts, jackets, belts, and accessories. The City will separately purchase and provide Wildland equipment. Wildland equipment consists of 2 long sleeve shirts, 2 pairs of Nomex pants and One pair Danner Rain Forest boots or equivalent as determined by the Department, or provide \$270 towards the cost of more expensive models that comply with all Federal, State and Department safety standards. This equipment will be replaced or repaired on an as needed basis as determined by the Fire Chief.
- B. Newly hired employees shall be advanced one year's uniform allowance. Annual payments shall commence with the second year of employment. Newly hired employees leaving the City service prior to completion of their first year shall return all uniform items purchased with the uniform allowance.
- C. The annual payment shall be in one lump sum on the first pay period of December.

- D. Class A uniforms may be obtained and maintained by employees on a voluntary basis.
- E. The Department shall issue the following additional structural fire response equipment at the time of hire and will repair or replace as needed, as determined by the Battalion Chief:
 - 1. One pair Warrington Pro or equivalent as determined by the Department, or provide \$330 towards the cost of more expensive models that comply with all Federal, State and Department safety standards.
- F. The Department shall periodically survey boot costs and make adjustments to the allotment allowances.

3. EMPLOYEE ASSISTANCE PROGRAM

The City agrees to establish and maintain in effect for the term of this agreement an Employee Assistance Program as recommended by the City Health Committee.

4. RECLASSIFICATION STUDIES

Reclassification requests will be handled in accordance with existing City Policy. Employees will be notified of the results of reclassification studies.

5. STAFFING

It is the City's long-term goal to achieve staffing at a ratio of .8 to 1.0 sworn Fire personnel for every 1,000 residents consistent with the Council's adopted Emergency Services Growth Management Plan.; with an initial future goal of staffing Engine companies with at least three (3) Fire Suppression Personnel.

6. REOPENER

The City and Union agree to reopen negotiations on the City's draft Personnel Rules.

7. PERSONNEL FILES

Employees of the Department may initiate an appeal to the Chief to remove from their personnel files any notice of deficiency or letter of reprimand not involving serious disciplinary matters (i.e., suspensions, demotions and dismissal) two years from the date that the notice of deficiency was placed in the file. Given that there are no similar occurrences of the deficiency which have occurred within the two year period, the Chief may authorize removal of the negative material.

8. RESERVE PROGRAM

Local 4148 acknowledges the City's establishment of a Reserve Firefighter Program. The City does not intend to use reserves to replace permanent positions. Permanent employee shifts may temporarily be filled by reserves in extraordinary circumstances.

9. COMPARISON AGENCIES

The following agencies will be utilized for compensation comparisons:

- a. Santa Maria
- b. Salinas
- c. San Luis Obispo
- d. Atascadero
- e. Morro Bay
- f. Five Cities (Pismo/AG/Grover)

10. VACATION TIME OFF

Local 4148 and the City agree to work collaboratively on vacation time off issues during negotiations for a successor agreement.

ARTICLE IX – GRIEVANCE PROCEDURE

1. PURPOSE

- A. This grievance procedure shall be the exclusive process to resolve grievances as the term is defined herein below.
- B. The purpose of this procedure is:
 - 1. To resolve grievances informally at the lowest possible level.
 - 2. To provide an orderly procedure for reviewing and resolving grievances promptly.

DEFINITIONS:

- A. "Grievance" means a complaint by an employee or group of employees concerning the interpretation or application of the provisions of this Agreement or of rules or regulations, or resolutions, or ordinances governing personnel practices or terms and conditions of employment which complaint has not been resolved satisfactorily in an informal manner between the employee and his/her immediate supervisor.

- B. As used in this procedure the term "immediate supervisor" means the individual so designated by City management who assigns, reviews and directs the work of an employee.

TIME LIMITS:

Each party involved in a grievance shall act quickly so that the grievance may be resolved promptly. Every effort should be made to complete action with the time limits contained in the grievance procedure, but with the written consent of all parties the time limitations for any step may be extended.

STEP 1:

The grievance initially shall be personally discussed between the employee and his/her immediate supervisor. Within seven (7) days, the immediate supervisor shall give his decision or response.

STEP 2:

- A. If the grievance is not informally resolved to the satisfaction of the grievant in Step 1, a formal grievance may be initiated. A formal grievance must be initiated no later than:
1. Thirty (30) days after the event of circumstances occasioning the grievance; or
 2. Within seven (7) calendar days of the Step 1 decision rendered in the informal grievance procedure, whichever is later.
- B. However, if the Step 1 informal grievance procedure is not initiated within the period specified in subsection 1, above, the period in which to bring the grievance shall not be extended by subsection 2 above.
- C. A Step 2 grievance shall be initiated in writing on a form prescribed by the City and shall be filed with the persons designated by the City management as the first level of appeal. The employee may be represented by a representative of his/her choice.
- D. The grievant shall cite the specific provision(s) of the then currently effective Memorandum of Understanding, ordinance, resolution or written rule claimed to have been violated, set forth the facts that purportedly constitute such violation, and the specific remedy sought.
- E. Within seven (7) days after the initiation of the Step 2 grievance, the first level of appeal shall investigate the grievance, and give his decision in writing to the grievant.

STEP 3:

- A. If the grievant is not satisfied with the decision rendered pursuant to Step 2, he/she may appeal the decision within seven (7) days to the City Manager or his designated representative.

The employee may be represented by a representative of his/her choice.

- B. The City Manager or his designated representative shall respond in writing within fourteen (14) days to the grievant. If the City Manager or his designated representative determines it is desirable, he/she shall hold conference(s) or otherwise investigate the matter.

STEP 4:

- A. If the grievant is not satisfied with the decision rendered pursuant to Step 3, he/she may appeal the decision within fourteen (14) days to the City Council. The employee may be represented by a representative of his/her choice.
- B. The determination of the City Council shall be the final and binding step of the grievance procedure.

ALTERNATIVE DISPUTE RESOLUTION PROCESS:

As an alternative of Step 4 of the grievance procedure and disciplinary appeals to the City Council, including termination appeals; employees may elect the following dispute resolution procedure. This procedure shall involve use on an outside hearing officer who shall have final and binding authority to settle the dispute as set forth below.

HEARING OFFICER:

1. Upon election of the hearing officer option; the City and the employee (or the employees representative shall attempt to mutually agree on an impartial hearing officer. Should the parties fail to reach agreement on selection of a hearing officer within fifteen (15) days; they shall jointly request a list of five qualified hearing officers from the California State Mediation and Conciliation Service. If the mutual selection cannot be made from the list received within five (5) days, the parties shall select the hearing officer by alternatively striking names until only one name remains; that person shall serve as the hearing officer. The party which strikes the first name from the list of hearing officers shall be determined by a toss of a coin.
2. In cases where the employee elects the hearing officer option; the City shall bear the cost of the hearing officer. Each side shall bear its own cost of representation; including preparation and post hearing briefs, if any.

3. Decisions by hearing officers on matters properly before them shall be final and binding on the parties to the extent permitted by law. No hearing officer shall hear, decide, or make recommendations on any dispute unless the dispute involves matters within the definition of grievances set forth in the Memorandum of Understanding or discipline as defined by the City's Personnel Rules.

Advisory decisions of the Hearing Officer involving appeals of termination actions may be reheard by the City Council within 60 days of the decision if the Council finds by simple majority vote, that the Hearing Officer exceeded their authority or, the decision does not properly interpret the MOU or the submissions of the parties.

4. No hearing officer shall have the power to amend or modify this Memorandum of Understanding or a law, ordinance, resolution, regulation or rule which is in the authority of the City Council or other legislative body or to establish any new terms and conditions of employment. Any order of a hearing officer not involving an appeal from discipline requiring a City expenditure of more than \$ 15,000 shall require the approval of the City Council and shall have no force and effect until and unless such Council approval is given. If the City Council does not approve an award pursuant to this section; it shall rehear the matter and issue its own decision on the merits.

CITY OF EL PASO DE ROBLES

PASO ROBLES CITY FIRE PLATOON
DUTY PERSONNEL

Thomas Frutchey, City Manager

John Prickett

Nate Bass

Brian Lewis

Amanda Donovan

Joel Platter



**Exhibit A - Paso Robles Professional Firefighters MOU
Paso Robles Professional Firefighters
(Based on 56 hour work week)**

Compensation

Effective upon adoption of this amendment wage rates shall be set in accordance with salary ranges as presented below.

	Current Salary Ranges January 1, 2016					
Classification	Range	Step 1	Step 2	Step 3	Step 4	Step 5
Captain/Paramedic	423a	7,183	7,626	8,097	8,597	9,128
Captain	403a	6,500	6,901	7,328	7,780	8,260
Firefighter/Paramedic	363a	5,324	5,652	6,001	6,371	6,764
Firefighter	344a	4,843	5,142	5,459	5,795	6,152

	Amended Salary Ranges XXX XX, 2017 (Per Article VII Above): 4.5%					
Classification	Range	Step 1	Step 2	Step 3	Step 4	Step 5
Captain/Paramedic	423b	7,507	7,970	8,462	8,984	9,539
Captain	403b	6,793	7,212	7,658	8,131	8,632
Firefighter/Paramedic	363b	5,564	5,907	6,272	6,658	7,069
Firefighter	344b	5,061	5,374	5,705	6,056	6,429

	Amended Salary Ranges Effective July 1, 2018: 6%					
Classification	Range	Step 1	Step 2	Step 3	Step 4	Step 5
Captain/Paramedic	423c	7,958	8,449	8,970	9,524	10,112
Captain	403c	7,201	7,645	8,118	8,619	9,150
Firefighter/Paramedic	363c	5,898	6,262	6,649	7,058	7,494
Firefighter	344c	5,365	5,697	6,048	6,420	6,815