

CITY COUNCIL

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Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 13

Date: October 27, 2010

TO: Honorable Mayor and Members of the City Council

FROM: Sheryl Bennett, Director of Human Resources

SUBJECT: Labor Negotiations Impasse – Escondido City Employees' Association – Administrative, Clerical and Engineering Bargaining Unit

RECOMMENDATION:

In accordance with the City of Escondido Employer-Employee Relations Resolution, the City Council will receive testimony from the City's Management Negotiating Team representative and the Escondido City Employees' Association (ECEA) – Administrative, Clerical and Engineering (ACE) Bargaining Unit Team representative regarding the impasse status of current negotiations. The City Council will consider one of the following alternative actions upon conclusion of the presentations:

1. Direct staff to implement the Management Team's Last, Best and Final offer dated July 21, 2010, and adopt Resolution 2010-152, effective pay period beginning October 31, 2010.
2. Direct staff to implement the final proposal of the ECEA/ACE Bargaining Unit dated July 1, 2010, effective pay period beginning October 31, 2010.
3. Direct Management and ECEA/ACE bargaining teams to continue negotiating in an effort to reach agreement.

FISCAL ANALYSIS:

The City's Last, Best and Final offer is to maintain "status quo" regarding current employee cost concessions with the ACE Bargaining Unit. On-going cost savings to the City are in the amount of \$303,850 for fiscal year 2010/11.

The final proposal submitted by ECEA/ACE Bargaining Unit proposes removing four furlough holidays which equates to a 1.68% cost increase to the City, or a budget increase of \$103,925.

PREVIOUS ACTION:

The City Council approved an amendment to the Memorandum of Understanding with the ECEA/ACE Bargaining Unit on October 7, 2009, extending the term of the Memorandum of Understanding to June 30, 2010.

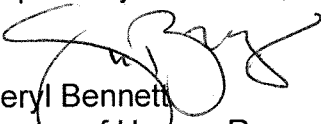
BACKGROUND:

State law in the form of the Meyers-Milias-Brown Act (MMBA) requires public agencies to meet and confer with represented employee organizations over wages, hours and working conditions. The City originally adopted the Employer-Employee Relations Resolution (EERR) in March 1980, and the revised EERR in June 2008, implementing the MMBA for represented City employees. Contained within both the MMBA and the EERR are requirements for negotiating labor contracts.

Attached as background information for Council's review are the following:

- Impasse Procedure, Article IV, Section 16 of the Employer-Employee Relations Resolution
- Summary of City's Last, Best and Final Offer to the ECEA/ACE Bargaining Unit
- ECEA/ACE Bargaining Unit's Last, Best and Final Offer

Respectfully submitted,



Sheryl Bennett
Director of Human Resources

RESOLUTION NO. 2010-152 (R)

13.

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
REGARDING THE DECLARATION OF IMPASSE
BY THE ESCONDIDO CITY EMPLOYEES'
ASSOCIATION/ADMINISTRATIVE, CLERICAL
AND ENGINEERING BARGAINING UNIT, AND
IMPOSING TERMS OF CITY'S LAST, BEST AND
FINAL OFFER

WHEREAS, the Management Negotiating Team of the City of Escondido has met and conferred with the Escondido City Employees' Association/Administrative, Clerical and Engineering (ECEA/ACE) Bargaining Unit regarding wages, hours and other terms and conditions of employment for personnel represented by that organization, and has made detailed recommendations to the City Council in relation thereto; and

WHEREAS, the Management Negotiating Team of the City of Escondido has been unable to reach an agreement with the ECEA/ACE Bargaining Unit regarding wages, hours and other terms and conditions of employment; and

WHEREAS, the City and the ECEA/ACE Bargaining Unit are at impasse regarding wages, hours and other terms and conditions of employment for personnel represented by ECEA/ACE; and

WHEREAS, the ECEA/ACE Bargaining Unit exercised its right under the City's Employer-Employee Relations Resolution to have an impasse meeting with the City's Employee Relations Officer/City Manager on September 9, 2010; and

WHEREAS, the City Council has considered the statement of positions presented by the City's Management Negotiating Team and the ECEA/ACE Bargaining

Unit at a public hearing pursuant to the City's Employer-Employee Relations Resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California:

1. That the above recitations are true.
2. That the City Council of the City of Escondido hereby imposes the City's last, best and final offer on the ECEA/ACE Bargaining Unit, effective pay period beginning October 31, 2010, as set forth in the Terms and Conditions of Employment attached as Exhibit "A" to this resolution and incorporated by this reference.

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**City of Escondido
2010 Meet and Confer Process**

**Escondido City Employees Association
Administrative/Clerical/Engineering Unit**

LAST, BEST AND FINAL OFFER

Management Proposal #6

1. Term – One Year: July 1, 2010 through June 30, 2011 T/A
2. Existing MOU Modifications (As detailed in Management Proposal #2 dated 5/18/10):

Due to the fact that the City remains in a significant financial downturn, concessions are proposed to remain the same.

The City proposes that all changes to the MOU that were implemented on October 7, 2009 will remain in place until terminated. Such changes are reflected in City Council Resolution 2009-149 and include MOU changes in the following areas:

- Step Increases
- Certification Pay
- Class Progressions
- 401(k) Contributions by the City
- Self-Directed Furlough – 6.64% salary reduction
- City Hall Furlough – 6.68% salary reduction
- Furloughed Holidays (New Year's, Martin Luther King, Presidents' and Memorial Days)
- Salary reduction will be matched by two furlough hour time bank deposits in July 2010 and January 2011

Modified furlough salary reductions as proposed by the ECEA on 7/1/10 is rejected.

3. Benefits: T/A

Medical and Dental Insurance Plans:

This item will inform the Bargaining Unit that the Health Insurance Committee (HIC) is commencing its annual review of medical and dental insurance plans and the related designs of the various plans

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available to employees. Consistent with the MOU, the HIC may consider changes in health and dental plan design that may increase

the cost to covered employees in such areas as doctor visit co-pays, prescription co-pays and the like.

The City will provide the lowest cost medical plan as recommended by the Health Insurance Committee (HIC) and approved by the City Council; and

Employee participation toward medical coverage will include the proportional percentage change in premium each "premium year" for the lowest cost medical plan after changes in Plan Design by the HIC and approval by the City Council.

The current rates, beginning January 1, 2010:

Employee Only	\$13.38 per month
Employee + One	\$26.74 per month
Family Coverage	\$40.12 per month

4. Language Clean Up:

- a. **T/A** Add overtime language that is similar to Supervisory Unit. This is the current practice in place; however, there is no identified overtime language in the ACE MOU. (As detailed in Management Proposal #2 dated 5/18/10)
- b. **T/A** Incorporate Fire Prevention Specialist classification into the ACE MOU. Include all items related to benefits, compensation, certifications, etc., that is in the 2009-10 Non-Safety Fire MOU. (As detailed in Management Proposal #2 dated 5/18/10)
- c. **T/A** Return the classifications of Code Enforcement Officer I/II and Engineering Technician I/II back into Exhibit "B" Salary Ranges.
- d. **T/A** Add Building Inspector, Field Engineering Inspector I/II, Laboratory Technician I/II, and Senior Environmental Compliance Inspector to Exhibit "C" - Shoe Allowance (These employees are currently receiving the allowance).
- e. **T/A** Work Attire Policy language to be incorporated into the MOU, listing classifications and brief explanation. The language references the policy for the detail. (Example was handed out on 6/8/10)

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5. The City will retain the Grievance Procedure as detailed in Article XXXI of the MOU. **WITHDRAWN BY ECEA.**

6. Work Schedule **T/A**

The City will recognize furlough time in the calculation of overtime. Furlough hours will be added to the hours work for the purpose of computing overtime.

7. Side Letter Reopener as proposed by the ECEA is rejected. The term of the agreement is proposed at one year. The City and the ECEA will be negotiating a successor MOU in less than one year. **WITHDRAWN BY ECEA.**

8. Fairness Agreement as proposed by the ECEA is rejected. Upon reinstatement of any of the negotiated reductions, the City will, in good faith, meet and confer with the ECEA. **WITHDRAWN BY ECEA.**