



CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

AGENDA ITEM

Report: Memorandum of Understanding (MOU) Between the City of Glendale and Glendale Fire Fighters' Association (GFFA)

1. Resolution Approving and Adopting the MOU Commencing July 1, 2021 through June 30, 2024
2. Resolution providing for the establishment of classification titles and compensation for employees covered by the Glendale Fire Fighters' Association

COUNCIL ACTION

Item Type: Action Item

Approved for November 16, 2021 **calendar**

EXECUTIVE SUMMARY

The Glendale Fire Fighters' Association (GFFA) is the employee bargaining unit that represents all rank-and-file Fire Sworn professionals at the ranks of Firefighter Recruit, Firefighter, Fire Engineer and Fire Captain, and associated Paramedic classifications. Approximately 160 budgeted positions are covered by this bargaining group.

The City has been engaged in labor negotiations with the GFFA since April of this year. After nearly five months of negotiations, staff is pleased to bring forth resolutions adopting a three-year Memorandum of Understanding (MOU) with the GFFA, which will run effective July 1, 2021 through June 30, 2024. As the Council is aware, MOU agreements govern the wages, hours, terms and conditions of employees. Staff believes this MOU agreement provides an appropriate balance of maintaining a fair and competitive compensation structure while addressing the fiscal limitations of the pandemic era.

COUNCIL PRIORITIES

The proposed MOU agreement is consistent with the City Council's priority of Fiscal Responsibility. The resulting multi-year agreement provides a fair and reasonable compensation package for the impacted employees, however doing so in a highly fiscally responsible manner. Salary adjustments for impacted employees are deferred to the second and third years of the MOU.

RECOMMENDATION

That the attached Resolutions and Memorandum of Understanding between the City of Glendale and Glendale Fire Fighters' Association (GFFA) be approved as submitted.

BACKGROUND

Over the course of the past five months, the City has engaged in labor negotiations with representatives of the Glendale Fire Fighters' Association (GFFA) in the hopes of coming to agreement on a successor Memorandum of Understanding (MOU). The previous MOU between the City and GFFA was of a duration of three-years and expired on June 30, 2021.

It is important to note that the GFFA has a long history of working collaboratively with the City through challenging economic circumstances. During the 2008/2009 recession, the GFFA agreed to reopen existing MOU agreements multiple times to defer scheduled salary increases and accept increased employer PERS cost-sharing deductions. The City/GFFA MOU, originally adopted in 2006, was amended seven times and extended through June 2018 to accommodate these cost-saving measures. Additionally, the MOU that followed, covering the period of time from July 2018 through June 2021 contained salary adjustments that netted only a modest 3.5% over three years. As far as PERS contributions, GFFA employees pay the full 9% employee share, as well as 4.5% of the employer share, which is the highest contribution level of all Glendale bargaining groups.

With this in mind, the GFFA entered these negotiations seeking to make up ground in comparison to other Fire Departments in this highly competitive labor market. In recent years, it has become increasingly challenging to hire firefighters, particularly those with the highly-coveted paramedic license. Most Southern California public agencies, including our labor market comparison cities, Los Angeles City, Los Angeles County and Cal-Fire are all increasing their hiring efforts to address critical staffing shortages and all competing against one-another for the same candidates. Additionally, the GFFA cited its members' exemplary service in general and particularly during the pandemic, when additional efforts were made to engage the community with vaccine distribution, grocery deliveries and other outreach programs to address community needs.

The City's position focused on cost containment, by ensuring that the City maintain a competitive pay and benefits structure, while addressing the organization's fiscal realities and ability to pay. While it was hoped that the economy would have improved significantly with the lifting of many of the COVID-19 restrictions over the past year, many concerns remain over both the City's budget forecast and the sluggish economic recovery in general.

To address the aforementioned need to remain competitive in both recruitment and retention of staff, the negotiation teams agreed upon the implementation of longevity pay in the second and third years of the contract. Longevity pay was implemented in 2019 for sworn Police employees represented by the Glendale Police Officers' Association (GPOA), as a means of addressing critical recruitment and retention concerns. Longevity pay provides for additional compensation for employees who reach critical milestones in their career involving years of service (usually 10 and 20 years), without impacting the entire bargaining unit.

Staff is thus pleased to bring forth a three-year MOU agreement between the City and GFFA, which will run effective July 1, 2021 through June 30, 2024. The proposed MOU is the culmination of over five months of negotiation between the City and GFFA bargaining teams. The tentative agreement provides for the aforementioned longevity pay and very modest across-the-board cost-of-living (COLA) adjustments, all deferred to the second and third years of the MOU. There are no costs in the first year. Staff believes that these terms place the employees in a more competitive position within the labor market and provide some degree of alignment with their sworn Police counterparts.

The general terms of the proposed MOU are as follows:

- FY 21/22: 0% COLA
- FY 22/23: 1% COLA
2% longevity pay: employees w/20+ years of service
- FY 23/24: 2% COLA
6% additional longevity pay: employees w/20+ years of service (8% cumulative)
4% longevity pay: employees w/10+ years of service

In addition to the above, the proposed agreement provides a two percent (2%) contribution by the City into a deferred compensation account for employees covered by the Public Employees' Pension Reform Act (PEPRA) effective July 2023, the third year of the MOU. Employees covered by PEPRA have a significantly lower retirement benefit than classic employees.

ANALYSIS

The proposed MOU between the City and GFFA General Managers is provided as an attachment (Exhibit 1). The document is "red-lined," indicating changes that have been agreed to from the current MOU.

The terms set forth in the proposed MOU were ratified in October by the GFFA membership with a vote of 84% in favor. Staff similarly recommends City Council adoption of the proposed three-year MOU. Staff recommends approval of the Resolutions as submitted.

STAKEHOLDERS/OUTREACH

N/A

FISCAL IMPACT

There is no fiscal impact to the adoption of this MOU in the current fiscal year. The subsequent years' costs are as follows:

Term	Fiscal Year	Cost
Year One	2021/2022	\$ -0-
Year Two	2022/2023	\$ 792,674
Year Three	2023/2024	\$3,478,961
	Total	\$4,271,635

ENVIRONMENTAL REVIEW

This item is considered a ministerial activity and therefore, not subject to CEQA review.

CAMPAIGN DISCLOSURE

This item is exempt from campaign disclosure requirements.

ALTERNATIVES

Alternative 1: Approve Resolutions as submitted.

Alternative 2: Not approve Resolutions as submitted.

Alternative 3: The City Council may consider other alternatives not proposed by staff.

ADMINISTRATIVE ACTION

Submitted by:

Matt Doyle, Director of Human Resources

Prepared by:

Matt Doyle, Director of Human Resources

Reviewed by:

Michele Flynn, Director of Finance

Michael J. Garcia, City Attorney

Approved by:

Roubik R. Golanian, P.E., City Manager

EXHIBITS / ATTACHMENTS

1. Text of proposed Memorandum of Understanding between the City of Glendale and Glendale Fire Fighters' Association: Three-year agreement commencing July 1, 2021 through June 30, 2024.
2. Exhibit A - Classification and Compensation Resolution, which contains salary range amounts for classifications covered by the GFFA bargaining unit.