**NB-41**

# CITY OF LONG BEACH

DEPARTMENT OF HUMAN RESOURCES

333 West Ocean Boulevard 13th Floor • Long Beach, CA 90802 • (562) 570.6621

**ALEJANDRINA BASQUEZ**  
DIRECTOR

October 3, 2017

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Adopt a Resolution approving the Terms and Conditions of Employment as shown in Exhibit A for members of the Association of Long Beach Employees (ALBE) bargaining unit, pursuant to Government Code Section 3505, et seq. (Citywide)

## DISCUSSION

The City and ALBE representatives held over 14 meet and confer sessions regarding a new Memorandum of Understanding (MOU). After engaging in a lengthy period of bargaining, including a fair consideration of ALBE's proposals, the City and ALBE are at impasse in these negotiations and future meetings would be futile.

The attached Exhibit A to the Resolution specifies the Terms and Conditions of Employment including provisions of the City's Last, Best and Final Offer, submitted to the Association of Long Beach Employees (ALBE), for the period of October 1, 2016 through September 30, 2018, and is required to implement the salary and benefit elements. These Terms and Conditions of Employment are in accordance with instructions issued by the City Council.

ALBE's Last, Best and Final Offer was made on August 31, 2017. The City rejected ALBE's offer. The City's Last, Best and Final Offer was made to ALBE on September 13, 2017. ALBE rejected the City's offer on September 28, 2017. ALBE also declined to utilize a mediator or invoke the fact-finding option to alleviate the impasse. Under Government Code Section 3505, et seq., the City has the option to unilaterally implement the City's Last, Best and Final Offer for a one-year period.

In accordance with City Council's instructions to implement the City's Last, Best and Final Offer, the attached Resolution and the Terms and Conditions of Employment document provide for compensation provisions consistent with recent agreements reached with the other miscellaneous bargaining units. The adoption of the Resolution and Terms and

## HONORABLE MAYOR AND CITY COUNCIL

October 3, 2017

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Conditions of Employment document will not establish a new MOU, but will change some of the terms and conditions of employment under which the parties are currently operating. ALBE will retain the ability to negotiate a new MOU that will cover the period starting October 1, 2018.

The proposed Terms and Conditions of Employment are for a one-year term from the date of City Council adoption, including the following major provisions:

1. General Wage Increase:

- 2 percent effective October 1, 2016
- 2 percent effective October 1, 2017

2. Floor Warden Skill Pay - Effective the first full pay period after City Council ratification, the Floor Warden Skill pay will be eliminated.

3. Specialty Pays – Effective the first full pay period after City Council ratification, increase the Standby pay rate from \$1.50 to \$2.00. Increase the Higher Class Pay rate from \$0.80 to \$1.60. Skilled and General Basic get a \$250 boot allowance per employee per year with the department's discretion to do twice a year.

4. Overtime – The bargaining unit agrees to meet and confer over changes to City overtime policies, ordinances and resolutions.

5. Healthcare – The formula for employees' contribution towards healthcare costs is slightly adjusted to increase the employee portion. The maximum cap for increases to family coverage was raised from \$25 to \$30 and the employee premium share formula was adjusted to allow the City to place amounts over the cap into a bank that can be applied to the employee rates in the future.

6. Represented Time-off – 350 hours with no carry over hours.

This matter was reviewed by Principal Deputy City Attorney Gary J. Anderson and by Budget Operations Administrator Grace Yoon on September 28, 2017.

### TIMING CONSIDERATIONS

City Council action is requested on October 3, 2017, to ensure timely implementation of the Terms and Conditions of Employment provisions.

### FISCAL IMPACT

The proposed Terms and Conditions of Employment has a total estimated annual net fiscal impact of \$456,000 in the General Fund (GF) and \$2.3 million across All Funds once completely implemented in FY 18. The FY 17 portion of the cost is an estimated \$246,000

HONORABLE MAYOR AND CITY COUNCIL

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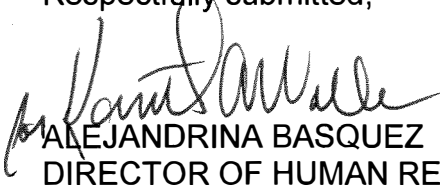
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in the General Fund (GF) and \$1.2 million across All Funds. It is projected that there will be no impact to the FY 17 General Fund budget as the FY 17 costs will be covered by higher than expected revenues, vacancy savings, and additional funding achieved from taking less conservative budgetary actions, such as reducing charges for insurance and funding for unfunded retirement liabilities. Costs for FY 18 will be addressed as part of the mid-year budget adjustment processes. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ALEJANDRINA BASQUEZ  
DIRECTOR OF HUMAN RESOURCES

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Attachment – Resolution

APPROVED:



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PATRICK H. WEST  
CITY MANAGER

OFFICE OF THE CITY ATTORNEY  
CHARLES PARKIN, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF LONG BEACH AUTHORIZING IMPLEMENTATION  
OF THE TERMS OF THE CITY'S LAST, BEST, AND FINAL  
OFFER TO THE ASSOCIATION OF LONG BEACH  
EMPLOYEES (ALBE), PURSUANT TO GOVERNMENT  
CODE SECTION 3505, ET SEQ.

WHEREAS, the City of Long Beach and the Association of Long Beach  
Employees ("ALBE") have terms and conditions governing the wages, hours and terms  
and conditions of employment for members of the ALBE bargaining unit; and

WHEREAS, the City is required by the Meyers-Milias-Brown Act  
(Government Code Section 3500, et seq.), to meet and confer in good faith with ALBE  
regarding wages, hours, and other terms and conditions of employment; and

WHEREAS, the City's negotiation team representatives began meeting and  
conferring with ALBE in October 2016 in an attempt to negotiate a Memorandum of  
Understanding ("MOU") and did so in good faith; and

WHEREAS, the representatives of the City and ALBE have held over 14  
meet and confer sessions to discuss matters within the scope of representation but have  
not reached agreement on several issues of substantial interest to the parties; and

WHEREAS, on September 13, 2017, the City's designated negotiations  
representatives presented the City's last, best, and final offer to ALBE; and

WHEREAS, on September 28, 2017, ALBE rejected the City's last, best,  
and final offer and declared impasse; and

WHEREAS, the City Council finds that the City of Long Beach and the  
Association of Long Beach Employees are at impasse in these negotiations; and

WHEREAS, the City Council of the City of Long Beach is vested by law with

1 the responsibility for making a final determination regarding wages, hours and other  
2 terms and conditions of employment for employees of the City and the City Council is  
3 desirous of making such final determination and resolving the impasse; and

4 WHEREAS, the City Manager has advised the City Council that the  
5 implementation of the City's last, best, and final offer may be challenged through legal or  
6 administrative proceedings; and

7 WHEREAS, if any of the terms of the City's last, best, and final offer, or the  
8 application of any provision of said last, best, and final offer to any person or group, are  
9 enjoined, stayed, restrained or suspended in any legal or administrative proceeding, then  
10 said provision(s) of the last, best, and final offer adopted by this Resolution shall be  
11 deemed immediately, automatically and completely suspended and of no further force  
12 and effect for any purpose, until such point as the matter is fully and finally adjudicated.

13 NOW, THEREFORE, the City Council of the City of Long Beach resolves as  
14 follows:

15 Section 1. The City Council finds and declares that in accordance with  
16 the Meyers-Milias-Brown Act, the City has met and negotiated in good faith with  
17 Association of Long Beach Employees for a reasonable period on matters within the  
18 scope of representation.

19 Section 2. The City Council finds and declares that the City presented  
20 the Association of Long Beach Employees with the City's last, best, and final offer.

21 Section 3. The City Council finds and declares that the Association of  
22 Long Beach Employees rejected the City's last, best, and final offer.

23 Section 4. The City Council finds that the City and the Association of  
24 Long Beach Employees are at impasse in these negotiations.

25 Section 5. That the terms of the City's last, best, and final offer to the  
26 Association of Long Beach Employees are hereby approved and adopted. A copy of said  
27 last, best, and final offer is attached to this Resolution labeled Exhibit "A" and is hereby  
28 incorporated herein by this reference as a part of this Resolution.



**CITY OF LONG BEACH/ALBE NEGOTIATIONS  
SEPTEMBER 13, 2017  
LAST, BEST, FINAL OFFER**

**The City hereby submits this Offer as ALBE has rejected the City's three-year proposal. The City requests that the members of ALBE vote on this proposal. The City has modified its previous 3-year offer by reducing it to be one-year, while maintaining the economic gains to be consistent during this time period. The offer below also reflects that the City has withdrawn the proposal that overtime be calculated based solely on hours worked (FLSA).**

MOU:        *Adopt the 2016 to 2019 IAM MOU terms and the 2007 to 2012 Refuse Basic and Skilled and General Bargaining Unit provisions, except to replace ALBE as party and as modified below.*

Term (Article Eight, Section V):

The term of the agreement will start upon adoption by the City Council and terminate in one year. The MOU provisions listed herein, shall become effective the first full pay period following Council adoption of the MOU, unless otherwise specified.

**ECONOMIC PROPOSALS**

Wages (Article Two, Section B.1):

- Salary Increase Two Percent (2%) – Retroactive to October 1, 2016
- Salary Increase Two Percent (2%) – Effective October 1, 2017
- Add: Economic Crisis Clause: The parties agree to re-open the MOU, at the City's option, if the City determines that it is facing a fiscal hardship such that the City Council adopts a measure to utilize Measure B "rainy day" funds. "Fiscal hardship" is defined in City of Long Beach Municipal Code Section 3.94.030.C. Any changes to the MOU must be by mutual agreement.

Higher Classification Pay (Article Two, Section V):

- Effective upon first full pay period after Council adoption, increase higher class pay to \$1.60 per hour and maintain the requirements for higher class pay in the 2016-2019 IAM MOU

Standby Pay (Article Three, Section VI.D):

- Effective upon first full pay period after Council adoption, Increase standby pay from \$1.50 per hour for each full hour of standby duty to \$2.00.

Overtime (Article Two, Section II):

- Amend Section II.C. to provide for up to 90 hours of banked overtime:  
“Effective the first full pay period following Council adoption, banked overtime credits shall not exceed 90.060 expanded hours for any employee at any one time.  
  
(~~6040~~ straight hours x 1 ½ = 9060)
- Allow 27 hours of FLSA OT to be part of banked overtime

Health (Article Four, Section 1.B):

- Beginning January 1, 2018, change the \$25 cap on employee contribution for increases in health, dental and life insurance benefits to \$30 for employees who choose family health coverage. If the employee’s portion is in excess of their cap (\$25 for single or two-party coverage of \$30 for family), the increase over the cap will be carried forward to the next year and added to the employee’s portion of the next year’s increase until the carryover amount is exhausted or the increase equals the cap, whichever is less.
- Agree to work with the City via the HIAC process to mitigate health care cost increases for calendar year 2019.
- ~~Any future changes in the maximum City contribution for health, dental and life insurance benefits or employee contributions made through payroll deductions agreed to by other unions in the City will be applied to Association members in the same manner and in equivalent amounts.~~

Elimination of Skill Pay for Floor Warden Duties (Article Two, Section III and Appendix C)

- Note: 2016-2019 IAM MOU eliminates floor warden skill pay effective April 1, 2017. City proposes to eliminate this skill pay effective the first pay period after Council adoption. All other provisions of Appendix C apply:

Skilled and General Basic Unit Provision:

- Add: Boot Allowance: Effective upon first pay period after Council adoption, the City shall provide a boot allowance of up to \$250.00 per year for required footwear. If the required footwear becomes unserviceable before the one-year period expires, the boots shall be replaced at the department’s discretion.



## UNION/LABOR ISSUES

### Union Dues and Benefit Deductions Program and Representation Time and Maintenance of Membership Clause Provision (Article One, Section V):

- Delete Article One, Section A.1, and replace as follows:

“During the term of this MOU, upon an executed ~~voluntary~~ written authorization, the City shall deduct dues and/or agency fees and the City agrees to deduct benefit program premiums from the pay of employees represented by ~~the Union~~ ALBE. The form for this purpose shall be provided by the City and the amounts to be deducted for Union dues or agency fees and benefit program premiums shall be certified to the City by the designated ALBE~~Union~~ official. For such purposes, the City shall charge ALBE~~the Union~~ for each employee five and one-half cents (\$0.55) per deduction for dues or agency fees and five and one-half cents (\$0.55) per deduction for all other deductions. ~~The deductions shall be made twice a month.~~ **The dues and agency fee deductions are based on 26.1 pay periods per year. The supplemental insurance premium deductions shall be based on 24 pay periods per year. The City will accept and modify any deductions regarding dues/fees and insurance premiums upon an electronic request from ALBE on the form approved by the City by 4:00pm PST on the Wednesday before the end of each pay period.**
- Maintain Section V.A.2 (indemnity provision), and V.A.3 (no City obligation to modify manner in which it makes deductions)
- Modify Section V.A.4 as follows:

“Employees who are dues-paying members of ~~IAMAQ~~ ALBE **may change from member to agency fee payer from August 15 to August 31 of each year. At ALBE’s request, agency fee payers may become members at any time.** ~~cancel payroll deductions only in the month of September each year. The Union shall assume responsibility of notifying current and future members of this requirement. The Union’s membership application form shall contain a written notice of this membership requirement.~~
- Add new section, Section V.A.5:

**“5. If agency fee provisions are ruled invalid, the parties will re-open this Agreement to discuss a maintenance of membership clause.”**
- Modify Section V.E.2 as follows:

“Each fiscal year, ~~the Union~~ ALBE shall receive a bank of 350 ~~1,000~~ hours to be used for general Union business. The Union or President shall provide the Human Resources Director with a monthly accounting of how this time is being used listing name, department, date and work hours used, rounded off to 12-minute

increments. Unused time, **up to 100 hours per year**, shall be carried over to **the next future** fiscal years, **but the maximum banked hours shall not exceed 450 hours**. Employees using Union time must give notice and receive prior approval. Approval will not be unreasonably withheld except for operational demands. Sufficient advance notice is required if the request for time off exceeds one workday.

- Delete Section V.F (Local Lodge President) in its entirety

Grievance Procedure (Article Seven):

- Modify Article Seven, Section IX Step Four to provide that only ALBE may pursue grievances past Step Three:

“If the City Manager (Water or Harbor Department Head) does not satisfactorily dispose of the complaint, **only ALBE** ~~the Union or the employee~~ may, within ten (10) working days, request that the matter be submitted to arbitration. The person designated by the Department of Human Resources shall meet with the **ALBE** ~~Union~~ representative to determine what issue(s) **ALBE** ~~the Union or employee~~ desires to submit to arbitration. \*  
\* \*

Labor/Management Meetings (Article Six, Section VII):

- Convene Labor Management Committee by Department (Water, LBGO, Public Works, Harbor, Parks, Recreation and Marine) within 60 days of ratification of the MOU by the City Council to address assignment of standby and call back procedures.
- Delete LMC re non-career employees (Article Six, Section VII.C)

**OPERATIONAL ISSUES**

Performance Increases (Article Two, Section D.3):

- Delete Section D.3.f

“Effective **upon first full pay period after Council adoption April 1, 2017**, the parties agree to eliminate the Floor Warden skill pay. The City recognizes that the Floor Warden duties are voluntary for **ALBE IAM** members and that **ALBE IAM** members shall not be subjected to disciplinary action, demotion, involuntary transfer or impact an employee’s performance evaluation if they withdraw from serving or refuse to perform Floor Warden duties. Should employees covered by this MOU decide to withdraw from performing the Floor Warden duties, they shall provide at least two weeks written notice to their supervisor that they no longer desire to perform those duties.

### Employee Parking (Article Six, Section I)

- Amend Article Six, Section I.A to delete guarantee of parking spaces as follows:  
  
“A. Employee parking shall be provided without charge on City property or a City operated facility on a space-available basis. ~~In the Civic Center area, there shall be a minimum of 300 spaces for members and those employees represented by the Union. Employees reporting to work in the downtown area after 3:00p.m. shall be allowed to park free at the Broadway public city lot and, thereafter, be permitted to move their vehicle to closer available parking.”~~

### Personnel Files (Article Six, Section III)

Remove the following provisions:

- ~~At the employee's request in writing, all disciplinary memoranda for minor offenses, including suspensions not to exceed two (2) days constructive action and all tardy slips and notes of absenteeism, shall be sealed for reasons that such items shall not be used against the employee thereafter, if no further disciplinary action directly relating to the original memoranda has been taken against the employee within two (2) years following issuance of the memoranda.~~
- ~~Any item that is sealed shall be removed from access from personnel except the Department Head or designee. If the employee believes this section is being misinterpreted or misapplied, or if there is material in the personnel file that should be removed or sealed, he/she may file a grievance pursuant to Article Seven. However, the grievance resolution shall be final and binding when I gets to the Director of Human Resource unless there is some other alleged violation of the MOU within the grievance.~~

### Refuse Unit Provisions:

The City proposes to maintain all provisions of the 2007 to 2012 Refuse Unit Provisions, except as follows:

- Delete provision No. 1 re Departmental Average Use of Sick Leave. NOTE: Refuse Department has Absent Management Policy still applies.
- Delete provision No. 17 as it pertains to supervisors.
- Delete provision Nos. 18 and 19 as obsolete.
- City agrees to LMC to discuss issues with Refuse Incentive program (RX pay), including potential elimination of program.

Skilled and General Services Unit:

The City proposes to maintain all provisions of the 2007 to 2012 Skilled and General Services Unit Provisions, except as follows:

- Revise Provision No. 10 to make current



**City of Long Beach Memorandum**  
*Working Together to Serve*

## REQUEST TO ADD AGENDA ITEM

**Date:** September 29, 2017  
**To:** Monique De La Garza, City Clerk  
**From:** Patrick H. West, City Manager  
**Subject:** Request to Add Agenda Item to Council Agenda of October 3, 2017

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Pursuant to Municipal Code Section 2.03.070 [B], the City Councilmembers signing below request that the attached agenda item (due in the City Clerk Department by Friday, 12:00 Noon) be placed on the City Council agenda under New Business via the supplemental agenda.

The agenda title/recommendation for this item reads as follows:

**Adopt a Resolution approving the Terms and Conditions of Employment as shown in Exhibit A for members of the Association of Long Beach Employees (ALBE) bargaining unit, pursuant to Government Code Section 3505, et seq. (Citywide)**

| Council District | Authorizing Councilmember | Signed by          |
|------------------|---------------------------|--------------------|
| 8                | Al Austin                 | <i>[Signature]</i> |
| 3                | Suzie Price               | <i>[Signature]</i> |
| 5                | SPECT MURDO               | <i>[Signature]</i> |

Attachment: Staff Report dated October 3, 2017

Cc: Office of the Mayor