November 13, 2007

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute a contract with Agreement Dynamics, Inc., in the amount up to $125,000 to assist with facilitation of labor negotiations in the City for up to a one-year period. (Citywide)

DISCUSSION

As the City prepares for upcoming negotiations with the International Association of Machinists (IAM) and the Fire Fighters Association (FFA), there has been interest in developing a new approach to labor relations. The City has been working to implement a new interest-based negotiations approach to ensure a more productive working relationship between labor and management and improved results for the community. The goals of this effort are to enhance the quality of work life and to improve service delivery to the Long Beach community by fostering mutual respect, trust, and partnership. Positive labor-management relations are critical to the success of any high-performing organization, and the implementation of this new approach represents a significant change effort to improve internal collaboration, employee involvement, morale, and customer service in the City.

To assist in this new approach, the City has chosen to utilize Agreement Dynamics' RESOLVE process, a unique bargaining process developed by Rhonda Hilyer (Agreement Dynamics, Inc.) that fosters alliances between labor and management. After reviewing various approaches to labor relations and meeting with multiple labor relations facilitators, the City selected Agreement Dynamics based on its track record of outstanding results and extensive experience working at all levels of numerous municipal organizations. Agreement Dynamics has proven success in shortening negotiation time-frames and producing labor agreements that result in successful labor contracts and ongoing labor-management relations in numerous organizations including the Los Angeles Metropolitan Transit Authority, City of Sunnyvale, Port of Seattle, City of Seattle, and most recently the City of Los Angeles.

In determining the viability of using the Resolve method for upcoming negotiations with the International Association of Machinists (IAM) and the Fire Fighters Association (FFA), the City along with the negotiating teams from the IAM and FFA, conducted joint training and developed a negotiating work plan. As a result of this effort, City management, the IAM and the FFA bargaining teams are all interested in using the Resolve method for upcoming negotiations. Both associations are confident the Resolve method will result in a more efficient and effective negotiating process and hope to conclude negotiations by the Winter of 2008.

As the labor negotiations begin with both the IAM and FFA, Agreement Dynamics will play an essential role in assisting the City with its labor relations and service delivery objectives.

This matter was reviewed by Deputy City Attorney Christina Checel and Budget Management Officer Victoria Bell on November 6, 2007.

TIMING CONSIDERATIONS

In order to ensure the timely continuation of the labor negotiations process, City Council action is requested at the November 13, 2007 City Council Meeting.

FISCAL IMPACT

The recommended agreement amount with Agreement Dynamics is for up to $125,000, and will be supported by the existing budget in the Department of Human Resources and Employee Benefits Fund. The actual cost may be less depending on the complexity of the negotiating process and the length of negotiations. The City spends $573 million annually on employee wages and benefits citywide and $325 million in the General Fund, which totals approximately 85% of the operating budget in the General Fund.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

SUZANNE R. MASON, DIRECTOR
DEPARTMENT OF HUMAN RESOURCES

APPROVED:

PATRICK H. WEST
CITY MANAGER