

Executive Summary:

The City respects and values the employees' choice in being represented by a union. The City has been actively engaged in negotiations with all three unions and is pleased that the IBEW contract is on the Agenda for September 29, including a 4% wage increase for 2015/2016 as well as continuing to negotiate pension for newly hired employees. PEU and PMSA were offered multiple opportunities to obtain a 4% increase for their members on October 1 including, but not limited to, finalizing their contracts or entering into a Memorandum of Understanding approved by their members. PEU and PMSA rejected the City's offers to provide the 4% increase and declined the opportunity to have their members vote on this issue at this time. The City and the remaining two unions (PEU and PMSA) will meet again on October 5 to continue negotiations on wages, pension, and other provisions that remain open.

Details:

It has come to our attention that members of the public may not have accurate information regarding the status of the City's negotiations with the three unions representing the majority of its employees: IBEW (International Brotherhood of Electrical Workers—mostly electric utility/water employees); PEU (Public Employees Union—general employees); and PMSA (Professional Managers and Supervisors Association). The City has been actively engaged in properly noticed negotiations with all three unions. These meetings take place in the sunshine. Notices are posted in City Hall relating to the dates and times of same. Unlike regular public meetings, no public comment is required or permitted.

IBEW recently reached a tentative agreement with City management and the IBEW members approved the contract by majority vote. Staff has recommended approval of this contract on the September 29, 2015, City Commission agenda. In addition to other agreed-upon changes, the IBEW contract provides a 4% wage increase on October 1. As part of the contract, IBEW and the City acknowledge that they have been actively bargaining for a cash balance plan for new employees and will continue to bargain on the subject of pension.

PEU and PMSA recently began negotiating for a successor agreement on August 4, 2015, after having met multiple times over the past year to negotiate what are commonly called "re-openers" to the current contract. Also prior to August 4, 2015, the City and these unions were negotiating pension, which is not currently a part of the PEU or PMSA contracts. The City proposed a 4% wage increase for members of PEU and PMSA as part of their respective contracts for FY 2015/2016 and offered to re-open the wage provision in the contract for the remaining two fiscal years of the proposed three-year contract period. The City continued to bargain the pension separately from the contract (as it has since prior to October of 2014) because the contract did not address pension. At the August 12, 2015 negotiating session, PEU and PMSA presented their own hand-written pension proposal that would include pension as part of the contract, entitled an "appendix". On September 10, 2015, the City provided a pension counter-proposal. Because the union wanted the pension as part of the contract, the City presented the proposal as Article 31 as part of the contract. During this session, the City also offered both PEU and PMSA a mechanism that would allow the parties to continue negotiating the contract (including pension) and allow for a 4% increase to be implemented on October 1, 2015. On behalf of its members, both PEU and PMSA rejected the proposals. Because the City was concerned that the PEU and PMSA members would not reach an agreement on the full contract prior to October 1, the City suggested the parties meet again on September 15, 2015, to discuss wages only. On September 15, 2015, the unions proposed a Memorandum of Understanding that contained incomplete language and did not allow for ratification (approval) by its members. The City provided a counter-proposal in the form of a Memorandum of Understanding that offered a 4% wage increase on October 1, 2015,

provided the agreement was ratified by the PEU and PMSA members as well as the City Commission. The unions rejected the proposal on behalf of their members and declined to allow their members to vote on the 4% wage proposal. The City and these unions will meet again on October 5, 2015, for their next bargaining session.

To be clear, nothing in the negotiations with any of the unions has tied a 4% increase for Fiscal Year 2015/2016 to accepting a new pension plan for new employees.