


City of Calistoga

Staff Report

TO: Honorable Mayor and City Council
FROM: Richard Spitler, City Manager 
DATE: October 12, 2011
SUBJECT: Consideration of adopting a resolution unilaterally resolving the meet and confer impasse between the City of Calistoga and the Calistoga Police Officers Association representing the Calistoga Police Officers Bargaining Unit Employees

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2 **ISSUE:** Consideration of adopting a resolution unilaterally resolving the meet
3 and confer impasse between the City of Calistoga and the Calistoga Police
4 Officers Association representing the Calistoga Police Officers Bargaining Unit
5 Employees
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8 **RECOMMENDATION:** Adopt Resolution.
9

10 **BACKGROUND/DISCUSSION:**
11

12 Negotiations between the City and Calistoga Police Officers Association (CPOA)
13 began on April 25, 2011. Given the financial state of the City, the City was
14 unable to sustain any kind of economic enhancements; conversely, the City was
15 required to ask for economic concessions to achieve a balanced budget for the
16 2011/2012 fiscal year. After five months of negotiating, and an inability to reach
17 an agreement, the City presented CPOA with its Last, Best and Final offer on
18 September 14, 2011. Subsequent to this, the City offered another counter-
19 proposal in an attempt to end the impasse. On October 3, 2011, Tim Cantillion,
20 the CPOA chief labor negotiator, notified the City that the CPOA discussed and
21 rejected both offers.
22

23 Pursuant to the ground rules, a meeting was held with a State mediator on
24 October 7 and 10, 2011 in an effort to reach a tentative agreement. This effort
25 was not successful.
26

27 The City's Last, Best and Final offer contains the following provisions:

- 28 - 0% cost of living increase
- 29 - Employee pays 100% of the PERS employee contribution

- 30 - New employees will be subject to a ten year step increase schedule
- 31 - A new non-safety employee PERS formula; 2% @ 60; three year
- 32 average salary
- 33 - A new safety employee PERS formula ; 2% @55; three year average
- 34 salary
- 35 - Health Care – City pays 55% of health and dental care
- 36 - Retain “Share the Savings Program” of \$300 per month for each
- 37 employee who declines city health coverage.
- 38 - Reduce the Service Bonus lump sum payment plan.

39
40 The City Council has two options at this time. The City Council may choose to
41 impose the City’s Last, Best and Final offer per the attached resolution. This will
42 re-set the status quo for future bargaining. If the City Council does not wish to
43 impose this agreement, the City Council may direct staff to continue negotiations
44 with the CPOA while maintaining the current status quo on all mandatory
45 subjects of bargaining.

46
47 This resolution shall be in effect through June 30, 2012 which means
48 negotiations for a successor agreement must begin early next calendar year
49 regarding the terms and conditions of employment applicable after June 30,
50 2012. But, pursuant to Government Code Section 3505.4 and PERB
51 interpretations of that statute, the establishment of a term for the unilateral
52 implementation does not bar negotiations during that term, and the City will be
53 required to bargain if/when changed circumstances break the impasse and revive
54 the duty to bargain.

55
56 **FISCAL IMPACT:**

57
58 The estimated savings to the City with adoption of this Last, Best, and Final Offer
59 is approximately \$153,725 on an annual basis. Since there are only eight months
60 left in this fiscal year, the savings will be approximately \$102,483. The change in
61 PERS formulas will have mid- to long-term benefits to the City in terms of
62 reduced PERS employer contributions. This will be addressed at a future Council
63 meeting where an ordinance to amend the City’s PERS contract will be
64 presented.

65
66 **ATTACHMENTS:**

- 67
- 68 1. Draft Resolution and Last, Best and Final Offer
- 69 2. October 10, 2011 Letter from Deborah Kolly to Tim Cantillon
- 70

RESOLUTION NO. 2011-____

RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF CALISTOGA COUNTY OF NAPA, STATE OF CALIFORNIA
UNILATERALLY RESOLVING THE MEET AND CONFER IMPASSE
BETWEEN THE CITY OF CALISTOGA AND
CALISTOGA POLICE OFFICERS ASSOCIATION REPRESENTING
THE CALISTOGA POLICE OFFICERS BARGAINING UNIT EMPLOYEES

1 **WHEREAS**, Government Code sections 3500 through 3510 (hereinafter
2 the Myers-Milias-Brown Act or "the Act") provide in pertinent part that
3 representatives of the governing body of the City of Calistoga shall meet and
4 confer in good faith with representatives of a recognized employee organization
5 regarding proposed changes in wages, hours and other terms and conditions of
6 employment and shall consider fully such presentations as are made by the
7 employee organization on behalf of its members prior to the City arriving at a
8 determination of policy or course of action; and

9
10 **WHEREAS**, the Calistoga Police Officers Bargaining Unit Employees
11 represented by Calistoga Police Officers Association an employee organization
12 recognized by the City; and

13
14 **WHEREAS**, as regards to establishment of a successor Memorandum of
15 Understanding, representatives of the City and the Calistoga Police Officers
16 Bargaining Unit employees have met and conferred in good faith as that term is
17 used in the Act; and

18
19 **WHEREAS**, representatives of the City and the Calistoga Police Officers
20 Bargaining Unit employees have failed to reach agreement regarding a
21 successor agreement; and

22
23 **WHEREAS**, pursuant to the ground rules previously agreed to between
24 the City and the Calistoga Police Officers Bargaining Unit employees, a meeting
25 was held with a State mediator on October 7 and 10, 2011 to see if a tentative
26 agreement could be reached. This effort was not successful; and

27
28 **WHEREAS**, the parties have concluded the impasse resolution
29 procedures as required by all applicable statutes, rules, regulations and
30 agreements; and

31
32 **WHEREAS**, authority for a public agency to unilaterally implement its last,
33 best, and final offer is set forth in California Government Code section 3505.4, "If
34 after meeting and conferring in good faith, an impasse has been reached
35 between the public agency and the recognized employee organization, and
36 impasse procedures, where applicable, have been exhausted, a public agency
37 that is not required to proceed to interest arbitration may implement its last, best

38 and final offer, but shall not implement a memorandum of understanding. The
39 unilateral implementation of a public agency's last, best and final offer shall not
40 deprive a recognized employee organization of the right each year to meet and
41 confer on matters within the scope of representation, whether or not those
42 matters are included in the unilateral implementation, prior to the adoption by the
43 public agency of its annual budget, or as otherwise required by law."
44

45 **NOW, THEREFORE, BE IT RESOLVED** that the City Council of the city of
46 Calistoga hereby unilaterally implements the terms and conditions of the
47 September 14, 2011 Last, Best and Final Offer, attached as Exhibit A and
48 incorporated herein by this reference, to be effective as of the date of this
49 resolution, except as specifically referenced in the text of Exhibit A.
50

51 **PASSED, APPROVED, AND ADOPTED** by the City Council of the City of
52 Calistoga at a regular meeting held this 12th day of October, 2011, by the
53 following vote:
54

55
56 **AYES:**

57 **NOES:**

58 **ABSTAIN/ABSENT:**
59
60
61

62 _____
JACK GINGLES, Mayor

63 **ATTEST:**
64

65 _____
66 **SUSAN SNEDDON, City Clerk**
67

EXHIBIT A

City of Calistoga/ Calistoga Police Officers Association
City of Calistoga
Last, Best and Final Offer
September 14, 2011

1 ARTICLE 7- TERM
2

3 The term of this Last, Best and Final Offer shall be from the date of final approval
4 by the City Council and shall remain in full force and effect until June 30, 2012.
5

6 Article 15 – Wages and Benefits

7 A. Monthly salaries shall be provided for the employee classifications in
8 accordance with the salary schedule in Appendix A.
9

10 1. Employees hired after July, 2011 shall be subject to the following step
11 increase schedule with overall satisfactory performance:

- 12 2.5% @ 6 months
- 13 2.5% @ 1 year
- 14 2% @ 2 years
- 15 2% @ 3 years
- 16 2% @ 4 years
- 17 5% @ 5 years
- 18 1% @ 6 years
- 19 1% @ 7 years
- 20 1% @ 8 years
- 21 1% @ 9 years
- 22 2% @ 10 years
- 23 2% @ 15 years
- 24 2% @ 20 years

25
26 B. Medical and Dental Benefits
27

28 Regular or probationary full-time employees are members of the Public
29 Employees Medical and Hospital Care Act ("PERS Health") insurance
30 program. The CITY's monthly contribution to provide health insurance
31 benefits for the individual employee and the employee's eligible
32 dependents shall be the minimum payment required by the Public
33 Employees Medical and Hospital Care Act.

34 1. Effective July 1, 2011, the CITY shall contribute the below-listed
35 amount per month toward each employee's premium:

- 36
- 37 a. 55% of the Dental Plan monthly premium amount and
38 less the employee contribution, paid through a payroll
39 deduction.

- 1
2 b. 55% of the Medical Plan monthly premium amount for
3 Kaiser, Blue Shield or PERS Choice, less the minimum
4 premium payment required by PERS and less the
5 employee contribution, paid through a payroll deduction.
6

7 An employee may use contributions to Section 125 Plan toward the cost of
8 employer-provided PERS Medical health insurance and Dental insurance for
9 the employee and eligible dependents an employee may not use funds for other
10 reasons.
11

12 2. Share the Savings Program –
13

14 The CITY shall provide three hundred dollars (\$300.00) per month
15 to any employee who meets the following criteria:

- 16 a. Declines the CITY sponsored Medical Coverage and
17 b. Provide the CITY with acceptable evidence of Medical
18 Insurance from an alternative provider.
19

20 Article 18- Retirement
21

22 A. CITY shall provide all current Police Officers, Senior Police Officers, and
23 Sergeants with retirement coverage through the Public Employee's Retirement
24 System (PERS) under 3 % at 55 Local Safety plan. CITY shall provide all current
25 Dispatchers and Dispatch Supervisor with retirement coverage through the
26 Public Employee's Retirement System (PERS) under the 2.5% at 55
27 miscellaneous plans. Additional PERS Retirement Benefits are as follows:
28

29 Credit for unused Sick Leave (Government Code Section 20965).
30

31 B. Effective July 1, 2011, or as soon thereafter as allowed by the Public
32 Employees' Retirement System (PERS) the City shall amend its agreement with
33 PERS whereby present and future employees shall pay the full employees' share
34 of Public Employees' Retirement employee contribution.
35

36 C. Effective July 1, 2011, or as soon thereafter as allowed by the Public
37 Employees' Retirement System (PERS) the City shall amend its agreement with
38 PERS to implement the retirement formula under Government Code Section
39 21369 (2 % @ 55) for Safety employees and Government Code Section 21353
40 (2% @ 60) for Non-Safety employees. These formulas shall be based upon a 3-
41 year average salary. These changes shall apply to all new PERS eligible
42 employees hired after July 1, 2011.
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Article. 25- Service Bonus

The CITY shall provide a lump sum Service Bonus in the following manner.

1. On the completion of five (5) years of continuous service from the initial anniversary date with the CITY, the CITY shall provide the employee with a one-time lump sum Service Bonus equivalent to 1.5% of the employee's annual base salary.
2. On the completion of ten (10) of continuous service from the initial anniversary date with the CITY, the CITY shall provide the employee with a one-time lump sum Service Bonus equivalent to 2% of the employee's annual base salary.
3. On the completion of fifteen (15) years of continuous service from the initial anniversary date with the CITY, the CITY shall provide the employee with a one-time lump sum Service Bonus equivalent to 2% of the employee's annual base salary.
4. On the completion of twenty (20) years of continuous service from the initial anniversary date with the CITY, the CITY shall provide the employee with a one-time lump sum Service Bonus equivalent to 2.5% of the employee's annual base salary.
5. After the twenty-fifth year of service with the City, upon completion of each fifth year of continuous service from the initial anniversary date with the CITY, the CITY shall provide the employee with a one-time lump sum Service Bonus equivalent to 2.5% the employee's annual base salary.

APPENDIX A
City of Calistoga
Salary Schedule

Calistoga Police Officers Association (CPOA)

Range #	Monthly				
	Step 1	Step 2	Step 3	Step 4	Step 5
Police Officer	\$4,831	\$5,072	\$5,326	\$5,590	\$5,870
Senior Police Officer	\$5,074	\$5,327	\$5,589	\$5,867	\$6,161
Sergeant	\$5,833	\$6,124	\$6,429	\$6,746	\$7,085
Dispatcher	\$3,880	\$4,073	\$4,277	\$4,492	\$4,719
Dispatch Supervisor	\$4,271	\$4,483	\$4,706	\$4,942	\$5,188



October 10, 2011

Tim Cantillion
Labor Representative
Goyette and Associates

SENT VIA E-MAIL TIM@GOYETTE-ASSOC.COM

Dear Tim,

This letter shall serve as confirmation that the Calistoga Police Officers Association (CPOA) and the City of Calistoga were unable to reach a settlement agreement for a successor Memorandum of Understanding through the labor negotiation or state mediation process.

Pursuant to Ground Rule 1, the City shall refer this matter to the City Council for resolution of the Meet and confer impasse between the City of Calistoga and the Calistoga Police Officers Association (CPOA). This action may include the unilateral implementation of the City's September 14, 2011 Last, Best, and Final Offer.

A Special City Council meeting has been scheduled for Wednesday, October 12, 2011 at 7:00 p.m.

I regret that we were unable to find a mutually acceptable resolution. The City appreciates the time and energy that you and Mark put into this effort and looks forward to outcomes that are more favorable in the future.

Sincerely,

Deborah Glasser Kolly
City of Calistoga, Chief Negotiator

Cc: Richard Spitler, City Manager
Mark Harden, CPOA President