

**Richard Spitler**

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**From:** Bruce Heid [bheid@ieda.com]  
**Sent:** Monday, January 24, 2011 1:01 PM  
**To:** Richard Spitler  
**Cc:** David McKenzie  
**Subject:** IEDA Labor Relations Contract

Mr. Spitler:

Thank you for your phone call this morning. IEDA and the City enjoyed a good and productive relationship, and we look forward to resolving this issue.

The outstanding balance owed to IEDA is \$39,315.15. We are hopeful that by reducing the amount by half, leaving a balance of \$19,657.57, we can conclude this matter. Please let me know if you have any additional questions, and I look forward to hearing from you after you have had an opportunity to discuss this with the City Council.

Bruce Heid  
IEDA



**IEDA**

2200 Powell Street, Suite 1000, Emeryville, California 94608

April 8, 2010

Mr. James C. McCann  
City Manager  
1232 Washington Street  
Calistoga, CA 94515

Re: Labor Relations Contract

Dear Mr. McCann:

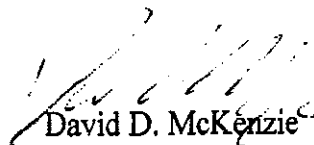
Thank you for your letter dated March 22, 2010 in reply our correspondence regarding to above referenced matter.

As you may know, IEDA provides labor relation services on contract (retainer) basis. Services are provided on as needed basis to our contracting members. There are times our clients utilize our services extensively and periods of time clients use our services very little or not at all. At same time, IEDA bear the cost to maintain staff to service its contract commitments.

We are not aware of any verbal conversations about the possible termination of contract in January 2007, and in fact the city has no outstanding invoices for 2007. Nevertheless, our contract with the city provides for 90 days **written notice** to terminate this agreement. As you acknowledge, no such notice has been tendered until your most recent letter. Accordingly, we consider to contract to be in full force and effect until 90 days after your letter of March 22, 2010.

We would be agreeable to consider any offers or suggestions to resolve this issue.

Very truly yours

  
David D. McKenzie

# CITY OF CALISTOGA

1232 Washington Street • Calistoga, CA 94515  
707.942.2800

March 22, 2010

David McKenzie  
IEDA  
2200 Powell street, Suite 1000  
Emeryville, CA 94608

Re: Labor Services

Dear Mr. McKenzie:

I received your January 21, 2010 letter seeking payment for past labor services.

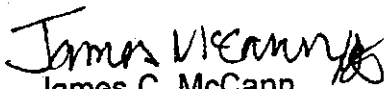
While the City of Calistoga has had a good and productive relationship with IEDA related to our labor negotiations we have ceased the use of these services more than two years ago when we decided to approach negotiations in a different direction. IEDA assisted the City in the conclusion of negotiations with our miscellaneous employees' group which led to the adoption of a Memorandum of Understanding in January of 2007. Subsequent to that successful negotiation, our former (retired) Administrative Services Director, advised our lead IEDA negotiator that we would proceed in a different direction in future labor matters and that services from IEDA would no longer be necessary.

Subsequent to that, the City has negotiated, on our own, an MOU with our Police Union and has negotiated labor concessions in recent months due to budgetary matters. You note that you have not located a letter from the City formalizing this action; I do not find one in our files either. Nonetheless, the City is not contacted IEDA or requested any services since the conclusion of the miscellaneous negotiations more than two years ago. Therefore, I am hopeful that you will recognize our termination of the services and accept this letter as that formal notification effective January 2007.

I thank you very much for the good services which IEDA provided over the years and am hopeful that we may work together again in the future on specific labor matters.

Should you have any questions or comments regarding this matter please contact me to discuss.

Sincerely,

  
James C. McCann  
City Manager

cc: File  
Correspondence



IEDA

MAR 25 2010

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RECEIVED

MAR 25 2010

IEDA



**IEDA**

2200 Powell Street, Suite 1000, Emeryville, California 94608

**IEDA, INC.  
INVOICE  
July 1, 2010**

**CITY OF CALISTOGA  
JUL 02 2010  
CITY MANAGER**

CALISTOGA, CITY OF  
MR. JIM McCANN, CITY MANAGER  
1232 WASHINGTON ST.  
CALISTOGA, CA 94515

ID# 1111

DATE	DESCRIPTION	INVOICE#	AMOUNT
07/01/2010	Labor Relations Consulting Fees For The Period 7/1/2010 to 12/31/2010	16091	\$8,013.30

Current Invoice Amount	<u>\$8,013.30</u>
Outstanding Amount	<u>\$39,758.28</u>
<b>TOTAL AMOUNT DUE UPON RECEIPT:</b>	<b><u>\$47,771.58</u></b>

**\*\*\*\*\*IMPORTANT NOTICE\*\*\*\*\***

**MAKE CHECKS PAYABLE TO IEDA, INC  
SEND PAYMENTS TO THE MAILING ADDRESS ABOVE**

**DO NOT COMBINE WITH PAYMENTS TO ANY OTHER IEDA ENTITY**

**IF YOU HAVE ANY QUESTIONS, CALL MANDY ZARKOVACSKI AT (510) 653-6773.**

**IF THE BILLING CONTACT SHOWN ABOVE IS INCORRECT OR MISSING,  
PLEASE LET US KNOW.**

Taxpayer ID# 94-2990882

Contract Excerpt  
with IEDA

2. PAYMENT

A. The City agrees to pay IEDA, Inc. and IEDA, Inc. agrees to accept in full and complete payment for all services rendered under this agreement the sum of Twelve Thousand Dollars (\$12,000.00) per year.

B. Payment for the months of April, May and June 1998, shall be Three Thousand Dollars (\$3,000.00) and shall be payable April 1, 1998. Thereafter, payment of the annual fee shall payable semi-annually and shall be made in two (2) equal installments of Six Thousand Dollars (\$6,000.00) each on January 1, and July 1, of each year.

3. TERM

This agreement shall be effective April 1, 1998, and shall remain in effect until such time as either the City or IEDA, Inc. may exercise the provisions of Item 4 below.

4. TERMINATION

→ Either the City or IEDA, Inc. may terminate this agreement at any time upon ninety (90) days' written notice to the other. In the event of such termination, IEDA, Inc.'s annual fee shall be prorated.

Dated April 8, 1998

CITY OF CALISTOGA

IEDA, INC., a subsidiary of INDUSTRIAL  
EMPLOYERS AND DISTRIBUTORS ASSOCIATION

By

William C. Norton

By

Kevin Fanning