

City Council Regular

Date: 06/12/2023
Title: Approval of Collective Bargaining Agreement with IAFF - Local 521
Presented by: Karla Stanton, Human Resources Director
Department: City Hall Administration
Presentation: No
Legal Review: Yes
Project Number: N/A

RECOMMENDATION

The City Council is being asked to approve a tentative agreement for the renewal of the Collective Bargaining Agreement (CBA) between the International Association of Firefighters (IAFF) - Local 521 and the City of Billings. The contract was voted on and approved by Local 521 on June 6 and 7. If approved by City Council, then the contract will be effective July 1, 2023, through June 30, 2026.

Staff recommends City Council approve the collective bargaining agreement between the IAFF - Local 521 and the City of Billings, effective July 1, 2023.

BACKGROUND (Consistency with Adopted Plans and Policies, if applicable)

IAFF - Local 521 and the City of Billings were trained on Interest Based Bargaining on March 1, 2023, by State of Montana Labor Mediator Max Hallfrisch. After completion of the training both parties agreed to use Interest Based Bargaining (IBB) instead of Traditional Bargaining to reach an agreement. In IBB, each team identifies issues, discusses options, and finds solutions without any formal written proposals. During the months the parties were negotiating, the Consumer Price Index (CPI-U) for March was 5% and for April was 4.9% higher than the same months a year ago. Fire applicant pools have become smaller over the past few years, so both parties agreed it was more critical than ever that pay remains competitive to attract quality applicants. In addition, the City of Billings would like to make steps toward Market-based pay, so in an effort to accomplish this objective Longevity pay was negotiated out of the existing contract, effective July 1, 2023. These were the main drivers in negotiating the following contract changes.

IAFF - Local 521 and the City of Billings tentatively agreed to implement a new Market-based pay system to maintain competitive pay for Fire employees. IAFF - Local 521 and the City agreed to utilize funds dedicated to Longevity pay for firefighters to help fund the new pay system. Changes to the existing contract include:

- Effective July 1, 2023, a new Market-based pay plan proposed cost of living (COLA) increases to be offset by the elimination of Longevity pay with a net increase of approximately 4.5%.
- A 3% cost of living adjustment (COLA) for the second year of the contract, effective July 1, 2024;
- A 3% cost of living adjustment (COLA) for the third year of the contract, effective July 1, 2025;
- Longevity pay will end effective July 1, 2023;
- Deleted obsolete language as it relates to the Janus decision;
- Clarified language that probationary firefighters are excluded from grievance and arbitration procedures, and that Just Cause does not apply;
- Added language to clarify Mobile Response Teams staffing qualifications and that staffing levels for these teams are exempt from the three-person minimum;
- Added language to clarify the workweek for probationary firefighters in the recruit academy shall be 40 hours, Monday through Friday;
- Added language to clarify firefighters on Special Assignment for longer than 90 days shall not receive holiday premium pay, but instead shall receive the holiday off with pay;
- Revised the grade and step pay process when differing ranks of firefighters are promoted to Assistant Training Chief;
- Added a third vacation slot for fire employees from Memorial Day to Labor Day, beginning 2024;
- Added language for the Fire Chief or their designee to authorize the use of vacation leave for situations outside the employee's control;
- Updated obsolete language regarding Military Leave to mirror state statute;
- Deleted language regarding the workday defined as eight hours;
- Added language to clarify that probationary firefighters are not eligible for the deferred compensation benefit

- provided by the City;
- Added language as it relates to tobacco use, cessation, and Presumptive Illness;
- Added language requiring Joint Labor Management Committee meetings to be held quarterly, with an option to be canceled by mutual agreement;
- Added language regarding the Engineer Development Program (EDP) and the Officer Development Program (ODP) Committees as it relates to member composition and process;
- Added language defining hours of work and working conditions for Crisis Response Unit - EMT's;
- Paramedic pay will increase from 5% of Grade 177, Step D to 6% in year 1, to 7% in year 2, and to 8% in year 3 of the contract;
- Certification pay will increase from \$50 per certification to \$75 per certification in year 2 of the contract, and from \$75 per certification to \$100 per certification in year 3 of the contract. Firefighters may be paid for a maximum of 2 certifications, and must undergo testing to ensure proficiency.

ALTERNATIVES

City Council may:

- Approve the proposed contract with the new market-based pay plan and eliminate Longevity pay, effective July 1, 2023;
- Postpone action on the contract to obtain additional information; or
- Deny approval of the contract, forcing negotiations to resume.

Staff recommends the City Council approve the collective bargaining agreement between Local 521-IAFF and the City of Billings, effective July 1, 2023.

FISCAL EFFECTS

The costs associated with implementing this contract are as follows:

- **Year 1:** Longevity pay will be eliminated for Fire employees (Local 521) effective July 1, 2023 (FY24), and will be used to fund a new market-based pay system, which will be implemented July 1, 2023. The cost to implement the new pay system is approximately \$600,000. The FY24 budget already contains an assumed 3% COLA increase of \$400,000. The cost to increase paramedic pay by 1% is \$25,000.
- **Year 2:** A 3% COLA will cost approximately \$410,000 and would be effective July 1, 2024 (FY25). The cost to increase paramedic pay from 6% to 7% is \$25,000 and the cost to increase certification pay from \$50 to \$75 is \$21,300.
- **Year 3:** A 3% COLA will cost approximately \$420,000, and would be effective July 1, 2025 (FY26). The cost to increase paramedic pay from 7% to 8% is \$25,000 and the cost to increase certification pay from \$75 to \$100 is \$21,300.

Any amounts in year 1 (FY24) that exceed currently budgeted amounts (approximately \$225,000) will be covered through normal vacancy savings and overtime management.

Attachments

IAFF - Local 521 CBA