

CITY OF MONTCLAIR

AGENDA FOR ADJOURNED MEETING OF THE CITY COUNCIL

LABOR NEGOTIATIONS IMPASSE HEARING – MONTCLAIR FIRE FIGHTERS ASSOCIATION

To be held in the Council Chambers

5111 Benito Street, Montclair, California

January 11, 2011

7:00 p.m.

I. CALL TO ORDER

II. ROLL CALL

III. PUBLIC COMMENT

This section is intended to provide members of the public with an opportunity to comment on any subject that does not appear on this agenda. Each speaker will be afforded five minutes to address City Council Members and the Redevelopment Agency and Montclair Housing Corporation Boards of Directors. (Government Code Section 54954.3)

Under the provisions of the Brown Act, the Council/Agency/MHC is prohibited from taking action on items not listed on the agenda.

IV. CLOSED SESSION

- A. Conference with Designated Labor Negotiators Pursuant to Section 54957.6 of the Government Code

Designated Representatives: City Manager Edward C. Starr; Personnel Officer Gary Charleston; Assistant Finance Director Richard Beltran; Bruce Barsook, Esquire, Liebert Cassidy Whitmore

Employee Organization Montclair Fire Fighters Association

(The City Council reserves the right to return to Closed Session after the Impasse Hearing for further discussion with designated labor negotiators pursuant to Section 54957.6 of the Government Code.)

V LABOR NEGOTIATIONS IMPASSE HEARING

- A. Discussion/Consider Imposing Changes to Terms and Conditions of Employment for Firefighters and Fire Engineers Represented by the Montclair Fire Fighters Association

VI. ADJOURNMENT

Reports and documents related to this Agenda item are on file in the Office of the City Clerk and are available for public inspection between 7:00 a.m. and 6:00 p.m., Monday through Thursday

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at (909) 625-9415 Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35 102-35 104 ADA Title II)

I, Yvonne L. Smith, Deputy City Clerk, hereby certify that I posted, or caused to be posted, a copy of this Agenda not less than 72 hours prior to this meeting on the bulletin board adjacent to the south door of Montclair City Hall on January 6, 2011

AGENDA REPORT

SUBJECT: CONSIDER APPROVAL OF CITY'S FINAL PROPOSAL OF THE LABOR NEGOTIATION SETTLEMENT AGREEMENT PRESENTED TO MONTCLAIR FIRE FIGHTERS ASSOCIATION

DATE: January 11, 2011

SECTION: ADMIN. REPORTS

ITEM NO.: A

FILE I.D.: PER575

BUSINESS PLAN: N/A

DEPT.: ADMIN. SVCS.

REASON FOR CONSIDERATION: The City Manager and labor negotiating team have been unsuccessful at reaching a contract settlement agreement with the Montclair Fire Fighters Association (MFFA) for Fiscal Year 2010-11. Pursuant to the City's Employer-Employee Relations Resolution No. 761, the City Council conducts an Impasse Hearing to resolve labor disputes. The City Council's decision is final, and any impasse resolution impacting conditions of employment is generally limited to the current contract year.

BACKGROUND: In November 2007, much of the nation, including California's Inland Empire region, hurtled into a recessionary cycle colloquially referred to as the Great Recession—the nation's worst economic crisis since the Great Depression era of the 1930s. Economists and analysts currently project that the Inland Empire is not expecting to see any significant recovery from the recession until the latter part of 2012.

The recession's fiscal impact on the City of Montclair has been significant. Over the course of the past five years, the City has seen its General Fund Revenues decline from a high of \$30.2 million posted in Fiscal Year 2005-06, to the adopted estimate of \$24.5 million for Fiscal Year 2010-11. As with many local jurisdictions throughout the nation, the Montclair City Council was required to consider means to reduce operating expenditures.

Through a proactive effort initiated by the City Council and City departments, during the first years of the recession, Montclair achieved operational efficiencies and significant cost savings while concurrently maintaining service levels and avoiding the layoff of personnel. However, after implementing a hiring freeze, reorganizing various departments, and imposing significant reductions on supplies, travel, meetings, training, and capital outlay budgets it was apparent that additional reductions remained necessary—in Fiscal Year 2009-10 these reductions were achieved through temporary employee benefit reductions. Similar reductions are also requested for Fiscal Year 2010-11. For the prior and current fiscal year, personnel expenditures represent approximately 75 percent of the City's General Fund Operating Budget—a component of the Operating Budget that now offers the only viable means for producing cost savings.

Prepared by:

Gary Chan

Reviewed and Approved by:

[Signature]

Proofed by:

Kathy Sutton

Presented by:

It is under this recessionary cloud that the City Council, during the Fiscal Year 2010-11 Budget Review Hearing conducted on June 15, 2010, directed City staff to negotiate benefit reductions with employee bargaining groups in agreements/memorandums of understanding (MOU) that concluded as of June 30, 2010—a decision that came only after the City Council explored other available alternatives. The City Council's objective was to achieve an estimated \$1.3 million in savings/replacement revenues to produce a balanced budget for Fiscal Year 2010-11. If the City failed to achieve employee concessions on benefit reductions, the General Fund Operating Budget would remain unbalanced—pursuant to state law, general law cities are not permitted to operate deficit budgets.

Under general direction of the City Manager, the City's labor negotiating team met and conferred with executive and mid-managers, the San Bernardino Public Employees Association (SBPEA), and MFFA—employees represented by the Montclair Police Officers Association (MPOA) are in the final year of their MOU (the MPOA MOU concludes as of June 30, 2011) and were not asked to reopen to meet and confer. Management employees and employees represented by SBPEA quickly agreed to benefit reductions requested by the City's labor negotiating team. Managers accepted \$344,573 in benefit reductions; SBPEA accepted \$514,824 in benefit reductions.

The City and MFFA began labor negotiations on June 17, 2010. With direction from City Council, the City's labor negotiator met and conferred with MFFA, requesting 9.85 percent reduction in salary and benefits (the same reduction requested of other bargaining groups) to assist with addressing the City's budget deficit for Fiscal Year 2010-11. The City and MFFA met on three subsequent occasions: July 8, 2010, August 4, 2010, and September 2, 2010—at which time the City presented its last, best, and final offer. Copies of City and MFFA proposals are attached as Exhibits A through H.

During each meet-and-confer session, the City and MFFA were unable to reach a settlement agreement, remained significantly apart in discussions, and identified little common ground for agreement. Ultimately, both parties determined that impasse had been reached on September 2, 2010.

Pursuant to Section 13, Resolution of Impasse, of the Employer-Employee Relations Resolution No. 761, an impasse resolution meeting with the City Manager was held on November 15, 2010, in an attempt to resolve the settlement agreement issues between the City and MFFA. During the impasse resolution meeting, the City Manager amended the City's last proposal to include additional alternatives for consideration by MFFA. A copy of the amended proposal is attached as Exhibit I. Regrettably, a resolution to the impasse was not achieved; therefore the matter is now referred to City Council for final determination.

FISCAL IMPACT: The dollar value of the cost reduction measures being requested of MFFA is \$128,671. The City's final proposal was presented to Montclair Fire Fighters Association on November 15, 2010 (as part of the City Manager's impasse resolution meeting).

Due to protracted negotiations, declaration of impasse, and the time required to schedule an impasse hearing before the City Council, the earliest that proposed cost-reduction measures can take affect is January 2011. In order to achieve full value of the requested concession from MFFA (\$128,671), the City Council may consider two options:

1. Impose benefit/wage concessions over the remainder of Fiscal Year 2010-11 (12 pay periods instead of 26 pay periods). Imposing concessions without

modification to the dollar value of the requested cost reduction (\$128,671) would require the same dollar value concession by MFFA, but imposed over a shorter time frame—from 26 pay periods to 12 pay periods. A suppressed time frame would increase the biweekly dollar contribution by each employee represented by MFFA.

2. Impose benefit/wage concessions over the succeeding 26 pay periods after date of implementation. Extending concessions into the succeeding fiscal year may overlap with any direction from the City Council to request employee concessions in Fiscal Year 2011-12. Extension into the next fiscal year may also require City staff to develop alternative means to balance the Fiscal Year 2010-11 Budget.

RECOMMENDATION: The City's last, best, and final offer was presented on September 2, 2010 (Revised September 7, 2010). The proposal is fully contained in Exhibit H, attached.

In considering appropriate actions related to benefit/wage concessions, the City Council may take the following actions:

1. Impose no reductions on MFFA.
2. Implement one of three options contained in the City's September 2, 2010 (Revised September 7, 2010) proposal to MFFA. The City Manager's amendment to the City's proposal is not included—it extends reductions indefinitely.
3. Modify the impact of the proposed concessions on MFFA
4. Direct the City's labor negotiator and MFFA to return to the bargaining table and continue negotiations.

City staff recommends the City Council proceed with Action No. 2 as stated above and direct implementation of Option 3 as contained in the City's September 2, 2010 (Revised September 7, 2010) proposal to MFFA (and as outlined below)—this option would provide the least economic impact burden to MFFA:

- Option 1.
 - 1) Members of MFFA would pick up 6 percent of the CalPERS EPMC for 26 pay periods.
 - 2) Members of MFFA would be furloughed (a temporary, unpaid leave of absence) for a total of 112.93 hours in Fiscal Year 2010-11 with a deduction of 5.65 hours per pay period beginning September 13, 2010.
- Option 2.
 - 1) Members of MFFA would pick up 6 percent of the CalPERS EPMC for 26 pay periods.
 - 2) Effective the pay period beginning on September 13, 2010, employees in MFFA would have a reduction of base wages of 8.35 percent during the remainder of Fiscal Year 2010-11.
- Option 3.
 - 1) Members of MFFA would pick up 6 percent of the CalPERS EPMC for 26 pay periods.

- 2) Beginning the first payroll in October 2010, the City-provided benefit fund amount would be reduced for members of MFFA by \$366 per month for nine months. (Current benefit fund amount is \$825 per month; proposal is to reduce to \$459 per month).

The City Council may impose MFFA benefit/wage concessions as follows:

1. Impose the benefit/wage concession over the remainder of Fiscal Year 2010-11.
2. Impose the benefit/wage concessions over the succeeding 26 pay periods after date of implementation. Extending concessions into the succeeding fiscal year may overlap with any direction from the City Council to request employee concessions in Fiscal Year 2011-12.

Extending MFFA benefit/wage concessions into the succeeding fiscal year may impact the City's ability to achieve a balanced budget at end of year, June 30, 2011. If a balanced budget is not achieved by anticipated/unanticipated revenue enhancements or other operational savings achieved by City staff, it would be necessary to borrow from the City's unreserved General Fund Reserve. During the Fiscal Year 2010-11 Budget Review process, the City Council directed City staff to achieve a balanced budget without relying on the unreserved General Fund Reserve—this decision was based on the declining retention of funds in the unreserved General Fund Reserve. Expending unreserved General Fund Reserves would require direction from the City Council.

City of Montclair

June 17, 2010

**City Proposal
to
Montclair Fire Fighters Association (MFFA)**

1. ARTICLE 11. RETIREMENT

Proposal: Would require employees to temporarily pick up 6 percent of the employer paid member contribution (EPMC). (This 6% is in addition to the 3% paid by employees with the 3% @ 50 retirement formula);

2. ARTICLE 14: LEAVES

Proposal: Would temporarily require furloughing employees (a temporary, unpaid leave of absence) for a total of 112.93 hours.

3. ARTICLE 45: TERM

Except as otherwise indicate herein, the changes to the current MOU shall be effective upon date of ratification by MFFA and the Montclair City Council for the period July 1, 2010 through June 30, 2011. Except as it relates to those provisions altered by the terms and conditions of this agreement, other existing terms, conditions, and provisions shall remain in effect, and City and employees agree to abide by those terms, conditions, and provisions unless otherwise altered by the meet and confer process, or unless otherwise indicated in this MOU.

Montclair Fire Fighters Association

July 8, 2010

MFFA Response

To

Proposal made by City of Montclair June 17, 2010

1. **ARTICLE 11. RETIREMENT**

Counter Proposal: MFFA would like to respectfully pass on City's proposal for members to temporarily pay 6% EPMC (in addition to 3% paid by employees with 3% @50 retirement formula);

2. **ARTICLE 14: LEAVES**

Counter Proposal: MFFA would like to respectfully pass on City's proposal to require furloughing employees for a total of 112.93 hours.

Montclair Fire Fighters Association

July 8, 2010

**MFFA Proposal
To
City of Montclair**

1. ARTICLE 7: EDUCATIONAL GRANT

Proposal: MFFA would like to offer to suspend the educational grant program for the period of July 1, 2010 through June 30, 2011 to as a means to help offset the budget shortfall for FY2010-2011.

2. ARTICLE 19: PREMIUM PAY PLAN

Proposal: MFFA would like to offer to suspend the Premium Pay Plan for the period of July 1, 2010 through June 30, 2011 to as a means to help offset the budget shortfall for FY2010-2011.

3. ARTICLE 32: AWARD PROGRAMS

Proposal: MFFA would like to offer to suspend the Award Programs for the period of July 1, 2010 through June 30, 2011 to as a means to help offset the budget shortfall for FY2010-2011.

4. **ARTICLE 7: UNIFORMS**

Proposal: MFFA is requesting at no cost to the city, the uniform allowance of \$450.00 to be paid in full beginning July1, 2010. This is a NO COST item which would actually be a cost savings to the Fire Department budget because the man-hours to maintain tracking for individual balances would be eliminated.

5. **ARTICLE 7: UNIFORMS**

Proposal: MFFA is requesting an allowance of \$45.00 per month for Uniform Maintenance. Uniformed personnel are required to maintain their uniforms and this allowance would be used for that purpose.

6. **ARTICLE 8: MEDICAL, DENTAL AND OPTICAL INSURANCE**

Proposal: MFFA is requesting at NO COST to the city, the balance of the City's monthly benefit fund contribution not paid toward employee and dependent premiums for health care coverage to be the employee's option to either be deposited in a City-sponsored deferred compensation plan or be paid directly to the employee each month. This proposal is a NO COST item designed to help employee's (who receive an overage) the option to offset personal costs.

City of Montclair

August 4, 2010

**City's Response
to**

**Proposal made by Montclair Fire Fighters Association (MFFA)
on July 8, 2010**

1. ARTICLE 7: EDUCATIONAL GRANT

Proposal: MFFA would like to offer to suspend the educational grant program for the period of July 1, 2010 through June 30, 2011 to as a means to help offset the budget shortfall for FY 2010-11.

The City accepts MFFA's offer to suspend the educational grant program at a value of \$1,300.00 for the period of July 1, 2010 through June 30, 2011.

2. ARTICLE 19: PREMIUM PAY PLAN

Proposal: MFFA would like to offer to suspend the Premium Pay Plan for the period of July 1, 2010 through June 30, 2011 to as a means to help offset the budget shortfall for FY 2010-11.

The City respectfully rejects this proposal.

3. ARTICLE 32: AWARD PROGRAMS

Proposal: MFFA would like to offer to suspend the Award Programs for the period of July 1, 2010 through June 30, 2011 to as a means to help offset the budget shortfall for FY 2010-11.

The Service Award Program for MFFA was revoked during negotiations last year for FY 2009-10.

4. ARTICLE 7: UNIFORMS

Proposal: MFFA is requesting at not cost to the City, the uniform allowance of \$450.00 to be paid in full beginning July 1, 2010.

The City respectfully rejects this proposal.

5. ARTICLE 7: UNIFORMS

Proposal: MFFA is requesting an allowance of \$45.00 per month for Uniform Maintenance.

The City agrees to contract with a uniform maintenance company for all cleaning and maintenance of uniforms.

6. ARTICLE 8: MEDICAL, DENTAL AND OPTICAL INSURANCE

Proposal: MFFA is requesting at NO COST to the City, the balance of the City's monthly benefit fund contribution not paid toward employee and dependent premiums for health care coverage to be the employee's option to either be deposited in a City-sponsored deferred compensation plan or be paid directly to the employee each month.

The City respectfully rejects this proposal.

City of Montclair

August 4, 2010

**City's Counter Proposal
to
Montclair Fire Fighters Association (MFFA)**

1. ARTICLE 11. RETIREMENT

Proposal: Would require employees to pick up 6 percent of the CalPERS member contribution (EPMC) for 26 pay periods. (This 6% is in addition to the 3% paid by employees with the 3% @ 50 retirement formula);

2. ARTICLE 14: LEAVES

Proposal: Would require furloughing employees (a temporary, unpaid leave of absence) for a total of 112.93 hours in FY 2010-11. During furlough hours taken, employees will not be hired back to back-fill the open position.

With the passing of each pay period, the hours deducted per pay period increases. For example:

Pay period beginning August 16, 2010:	5.13 hours
Pay period beginning August 30, 2010:	5.38 hours
Pay period beginning September 13, 2010:	5.65 hours
Pay period beginning September 27, 2010:	5.94 hours
Pay period beginning October 11, 2010:	6.27 hours
Pay period beginning October 25, 2010:	6.64 hours
Pay period beginning November 8, 2010:	7.06 hours
Pay period beginning November 22, 2010:	7.53 hours

Alternate Proposal (ARTICLE 7 – COMPENSATION): In lieu of furlough hours, employees in MFFA would have a reduction of base wages during the remainder of FY 2010-11.

If the implementation of this proposal extends beyond the August 16th pay period, the reduction in base wages is as follows:

Pay period beginning August 16, 2010:	7.75 percent
Pay period beginning August 30, 2010:	8.35 percent
Pay period beginning September 13, 2010:	9.05 percent
Pay period beginning September 27, 2010:	9.85 percent
Pay period beginning October 11, 2010:	10.75 percent

Pay period beginning October 25, 2010:	11.75 percent
Pay period beginning November 8, 2010:	12.88 percent
Pay period beginning November 22, 2010:	14.15 percent

3. ARTICLE 12: HOLIDAYS

Proposal: Shift employees in MFFA accrue holiday leave at the rate of 157.29 hours annually. Holiday leave for shift employees shall accrue into a holiday bank and City shall buy back all accrued holiday hours at straight-time during the last pay period for each calendar quarter.

4. ARTICLE 45: TERM

Except as otherwise indicate herein, the changes to the current MOU shall be effective upon date of ratification by MFFA and the Montclair City Council for the period July 1, 2010 through June 30, 2011. Except as it relates to those provisions altered by the terms and conditions of this agreement, other existing terms, conditions, and provisions shall remain in effect, and City and employees agree to abide by those terms, conditions, and provisions unless otherwise altered by the meet and confer process, or unless otherwise indicated in this MOU.

City of Montclair

September 2, 2010

Montclair Fire Fighter Association's Response to Counter Proposal

Made By

City of Montclair on August 4, 2010

1. ARTICLE 11. RETIREMENT

Proposal : Would require employees to pick up 6% of the CalPERS **EMPLOYER contribution** for 26 pay periods. (This 6% would be in addition to those already paying 3%)

Response: The MFFA respectfully declines this proposal.

2. ARTICLE 14: LEAVES

Proposal: would require furloughing employees for a total of 112.93 hours for FY 2010-2011. During furlough hours taken, employees will not be hired back to back-fill the open position.

Response: The MFFA respectfully declines this proposal and the alternate proposal to reduce base wages during the remainder of FY2010-2011.

3. ARTICLE 12: HOLIDAYS

Proposal: Shift employees in MFFA accrue holiday leave at the rate of 157.29 hours annually. Holiday leave for shift employees shall accrue into a holiday bank and the City shall buy back all accrued holiday hours at straight-time during the last pay period for each calendar quarter.

Response: The MFFA respectfully declines this proposal.

4. ARTICLE 45: TERM

Except as otherwise indicate herein, the changes to the current MOU shall be effective upon date of ratification by MFFA and the Montclair City Council for the period July 1, 2010 through June 30, 2011. Except as it relates to those provisions altered by the terms and conditions of this agreement, other existing terms, conditions, and provisions shall remain in effect, and City and employees agree to abide by those terms, conditions, and provisions unless otherwise altered by the meet and confer process, or unless otherwise indicated in this MOU.

City of Montclair

September 2, 2010

Montclair Fire Fighters Association's Proposal

To

City of Montclair

1. ARTICLE 12: HOLIDAYS

Proposal: Shift employees in MFFA accrue holiday leave at the rate of 157.29 hours annually. Holiday leave for shift employees shall accrue into a holiday bank and the City shall buy back half accrued holiday hours at straight-time during the last pay period for each calendar quarter. This will produce a savings of approximately \$47,852.45.

2. ARTICLE 45: TERM

Except as otherwise indicate herein, the changes to the current MOU shall be effective upon date of ratification by MFFA and the Montclair City Council for the period July 1, 2010 through June 30, 2011. Except as it relates to those provisions altered by the terms and conditions of this agreement, other existing terms, conditions, and provisions shall remain in effect, and City and employees agree to abide by those terms, conditions, and provisions unless otherwise altered by the meet and confer process, or unless otherwise indicated in this MOU.

City of Montclair

**September 2, 2010
(Revised September 7, 2010)**

**City's Counter Proposal
to
Montclair Fire Fighters Association (MFFA)**

OPTION 1

1. ARTICLE 11. RETIREMENT

Proposal: Would require employees to pick up 6 percent of the CalPERS member contribution (EPMC) for 26 pay periods. (This 6% is in addition to the 3% paid by employees with the 3% @ 50 retirement formula);

2. ARTICLE 14: LEAVES

Proposal: Would require furloughing employees (a temporary, unpaid leave of absence) for a total of 112.93 hours in FY 2010-11. During furlough hours taken, employees will not be hired back to back-fill the open position.

With the passing of each pay period, the hours deducted per pay period increases. For example:

Pay period beginning September 13, 2010:	5.65 hours
Pay period beginning September 27, 2010:	5.94 hours
Pay period beginning October 11, 2010:	6.27 hours
Pay period beginning October 25, 2010:	6.64 hours
Pay period beginning November 8, 2010:	7.06 hours
Pay period beginning November 22, 2010:	7.53 hours

3. ARTICLE 45: TERM

Except as otherwise indicate herein, the changes to the current MOU shall be effective upon date of ratification by MFFA and the Montclair City Council for the period July 1 ,2010 through June 30, 2011.

Except as indicated above, all other provisions in the MOU shall remain unchanged.

OPTION 2

1. **ARTICLE 11. RETIREMENT**

Proposal: Would require employees to pick up 6 percent of the CalPERS member contribution (EPMC) for the remainder of FY 2010-11. (This 6% is in addition to the 3% paid by employees with the 3% @ 50 retirement formula);

2. **ARTICLE 7 – COMPENSATION): Effective the pay period beginning on September 13, 2010, employees in MFFA will have a reduction of base wages of 8.35 percent during the remainder of FY 2010-11.**

If the implementation of this proposal extends beyond the September 13th pay period, the reduction in base wages increases. For example:

Pay period beginning September 13, 2010:	8.35 percent
Pay period beginning September 27, 2010:	9.05 percent
Pay period beginning October 11, 2010:	9.85 percent
Pay period beginning October 25, 2010:	10.75 percent
Pay period beginning November 8, 2010:	11.75 percent
Pay period beginning November 22, 2010:	12.88 percent

Once the proposal of base wage reduction is implemented, the percentage of the base wage reduction will remain the same for the remainder of FY 2010-11 as identified in the schedule above. For example, if the proposal is implemented as of the September 13, 2010 pay period, the base wage reduction will be 8.35 percent for the remainder of FY 2010-11.

ARTICLE 45: TERM

Except as otherwise indicate herein, the changes to the current MOU shall be effective upon date of ratification by MFFA and the Montclair City Council for the period July 1 ,2010 through June 30, 2011.

Except as indicated above, all other provisions in the MOU shall remain unchanged.

OPTION 3

1. **ARTICLE 11. RETIREMENT**

Proposal: Would require employees to pick up 6 percent of the CalPERS member contribution (EPMC) for 26 pay periods. (This 6% is in addition to the 3% paid by employees with the 3% @ 50 retirement formula);

2. **ARTICLE 8 – MEDICAL, DENTAL, AND OPTICAL INSURANCE): The City provided Flexible Benefit amount will be reduced by \$366.00 per month for nine (9) months for each MFFA member. (Currently \$825.00 per month; proposal to \$459.00 per month) This figure assumes that an agreement is reached before the first payroll in October 2010.**

ARTICLE 45: TERM

Except as otherwise indicate herein, the changes to the current MOU shall be effective upon date of ratification by MFFA and the Montclair City Council for the period July 1 ,2010 through June 30, 2011.

Except as indicated above, all other provisions in the MOU shall remain unchanged.

The foregoing proposal represents the full extent of our authority. If not accepted by September 9, 2010, the offer is considered rejected. At that time we will consider the parties to be at impasse and will initiate the impasse procedure as set forth in Resolution #761.

Response To MFFA's Proposal on September 2, 2010:

MFFA's offer of the holiday leave buy back arrangement has been considered and rejected.

CITY MANAGER'S IMPASSE RESOLUTION MEETING

WITH

MONTCLAIR FIRE FIGHTERS ASSOCIATION (MFFA)

Amendment to City Proposal Dated September 2, 2010 (Revised Sept. 7, 2010)

Adding Option 4

Presented to MFFA at 2:00 p.m., Monday, November 15, 2010

Amended and presented to MFFA on Monday, November 15, 2010

Any and All Proposals Subject to Approval by the Montclair City Council

Option 4

1. ARTICLE 11. RETIREMENT

Proposal: Effective November 1, 2010, all members represented by MFFA, shall henceforth pay the full cost of the CalPERS member contribution (EPMC); provided, however, members employed under the 3 % @ 55 CalPERS retirement formula shall begin paying 6 percent of the current 9 percent member contribution effective November 1, 2010, and begin paying the remaining 3 percent effective June 30, 2011, for a combined total of 9 percent of the member contribution; further provided that for members employed under the 3% @ 50 CalPERS retirement formula, the 9 percent member contribution shall be inclusive of the 3 percent CalPERS member contribution currently paid by members.

2. ARTICLE 45: TERM

The term of this Agreement shall be for one year, from July 1, 2010 through June 30, 2011. Except as otherwise indicated herein, all other provisions in the Memorandum of Understanding between MFFA and City shall remain unchanged.