

**REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS
OF THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT
AND RECORD OF ACTION**

July 28, 2020

FROM

GARY McBRIDE, Chief Executive Officer, County Administrative Office

DAN MUNSEY, Fire Chief/Fire Warden, San Bernardino County Fire Protection District

SUBJECT

Side Letter Agreement with Teamsters Local 1932

RECOMMENDATION(S)

Acting as the governing body of the San Bernardino County Fire Protection District:

1. Approve proposed Side Letter Agreement with Teamsters Local 1932 representing the employees in the Fire Auxiliary Services Unit.
2. Approve proposed Side Letter Agreement with Teamsters Local 1932 representing the employees in the Fire Auxiliary Services Supervisory Unit.

(Presenter: Bob Windle, County Labor Relations Chief, 387-3101)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Create, Maintain and Grow Jobs and Economic Value in the County.

Improve County Government Operations.

Operate in a Fiscally-Responsible and Business-Like Manner.

Ensure Development of a Well-Planned, Balanced, and Sustainable County.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). Rather than now proceeding with the July 2020 3% across-the-board salary increase for employees in the Fire Auxiliary Services Unit and the Fire Auxiliary Services Supervisory Unit, a one-time lump sum payment equivalent to 3% of each employee's salary covering the period from July 18, 2020 through November 20, 2020 would produce a cost savings of approximately \$9,000. This savings is due to a reduction in retirement costs because the one-time lump sum payment is not considered as earnable compensation for Tier 2 employees.

BACKGROUND INFORMATION

On April 7, 2020 (Item No. 27), the Board of Directors (Board) approved the establishment of the Fire Auxiliary Services Unit and the Fire Auxiliary Services Supervisory Unit (collectively referred to as the Units) and recognized Teamsters Local 1932 (Teamsters) as the authorized exclusive employee organization for the Units. The Units are currently comprised of 132 employees. Prior to establishment of the Units, the employees were unrepresented.

Beginning in May 2020, representatives of San Bernardino County Fire Protection District (SBCFPD), under direction of the Board, and representatives of the Union began the meet and confer process in an attempt to negotiate an initial Memorandum of Understanding (MOU) that

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would cover wages, hours, and other terms and conditions of employment for employees in the Unit. As negotiations began, the economic forecast for the County of San Bernardino deteriorated significantly in the wake of COVID-19. Currently, the County has projected a \$75.4 million deficit in the coming Fiscal Year 2020-21 budget and a \$104.8 million deficit in the 5-year forecast. In addition to this unsettling financial forecast, on April 7, 2020 (Item No. 62), the Board decided to submit a citizen initiative petition to the voters in the upcoming November 2020 General Election for repeal of the FP-5 Special Tax. Should this repeal be successful, SBCFPD would lose nearly \$42 million in annual revenue. This revenue source currently helps SBCFPD fund the cost of employees in the Units.

The County Administrative Office (CAO) – Labor Relations Unit has had discussions with Teamsters regarding SBCFPD's aforementioned budgetary concerns. As a result of those discussions, the parties reached the proposed Side Letter Agreement for the Units. The proposed agreement provides job security for Teamsters Local 1932 employees against layoffs and furloughs through December 31, 2020, a one-time lump sum payment of 3% of each employee's salary covering the period from July 18, 2020 – November 20, 2020 in lieu of the 3% across-the-board salary increase that would be effective July 18, 2020, and maintenance of the July 18, 2020 medical premium subsidies. Finally, the Side Letter Agreement includes an economic reopener in November 2020.

Approval of the Side Letter Agreement gives SBCFPD additional time to:

- Acquire data on the depth and anticipated duration of the COVID-19 economic impacts.
- Provide clarity on any budgetary impacts resulting from the November 2020 General Election vote for repeal of FP-5.

The CAO-Labor Unit will return to the Board at a later date once an initial MOU is reached with the Units.

PROCUREMENT

N/A.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Richard Luczak, Deputy County Counsel, 387-5455) on July 21, 2020; Labor Relations (Bob Windle, County Labor Relations Chief, 387-3101) on July 21, 2020; Finance (Tom Forster, Administrative Analyst, 387-4635) on July 22, 2020; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on July 22, 2020.

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Record of Action of the Board of Directors
San Bernardino County Fire Protection District

APPROVED (CONSENT CALENDAR)

Moved: Josie Gonzales Seconded: Robert A. Lovingood
Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, SECRETARY

BY 
DATED: July 28, 2020



cc: File- SDD/Employees/ MOU – Fire Auxiliary Services Unit & Fire
 Auxiliary Supervisory Unit w/ side letter
la 08/3/2020