



Staff Summary Report

REVISED

Council Meeting Date: 01/08/09

Agenda Item Number: 48

SUBJECT: Request approval of a resolution amending the current Memorandum of Understanding between SEIU Local 5 and the City of Tempe.

DOCUMENT NAME: 20090108hrrb02 **NON SUPERVISORY AND PUBLIC WORKS NON SUPERVISORY EMPLOYEES – MEET AND CONFER (0303-08-03)**

COMMENTS: Resolution 2009.04 Amends the Memorandum of Understanding between SEIU Local 5 and the City of Tempe July 1, 2007 – June 30, 2009, amended for the period of July 1, 2008 to June 30, 2009.

PREPARED BY: Renie Broderick, Human Resources Manager (350-8407)

REVIEWED BY: Charlie Meyer, City Manager (350-8884)

LEGAL REVIEW BY: Dave Park, Assistant City Attorney (350-8907)

FISCAL NOTE: This proposed amendment will result in salary savings of \$229,556.00 for the period January 1, 2009 thru June 30, 2009 and potential ongoing annual salary savings of \$459,111.00.

RECOMMENDATION: Recommend adoption of Resolution No. 2009.04

ADDITIONAL INFO: This proposed amendment, as agreed to by SEIU Local 5 and the City of Tempe, will suspend the January, 2009 Market Adjustment as originally set forth in Section 3-1.2.

RESOLUTION NO. 2009.04

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, AMENDING THE JULY 1, 2007-JUNE 30, 2009, PREVIOUSLY AMENDED FOR THE PERIOD OF JULY 1, 2008 TO JUNE 30, 2009, MEMORANDUM OF UNDERSTANDING BETWEEN SEIU LOCAL 5 AND THE CITY OF TEMPE TEMPORARILY SUSPENDING THE MARKET ADJUSTMENT PROVISIONS SET FORTH IN SECTION 3-1.2

WHEREAS, the City of Tempe (“Tempe”) and SEIU Local 5 (“Union”) met and conferred and entered into a Memorandum of Understanding (“MOU”) for the period of July 1, 2007 to June 30, 2009, which was approved by the City Council on June 5, 2008, and

WHEREAS, Section 3-5 of the MOU contains a reopener provision in the event of a “Fiscal Crisis” which requires the parties to meet and confer in an effort to reach an agreement on the reduction of benefits to Union members; and

WHEREAS, Tempe believes it is currently experiencing conditions that meet the MOU’s definition of a “fiscal crisis” as provided in Section 3-5; and

WHEREAS, SEIU Members and the City of Tempe are working together to address this fiscal crisis by identifying potential cost savings with a shared commitment to the preservation of jobs and the continued delivery of quality services to the residents of Tempe; and

WHEREAS, the parties have agreed to forgo the option to reopen the MOU, and instead come to an agreement to suspend certain benefit provisions of the MOU as set forth herein.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, as follows:

That the Memorandum of Understanding between SEIU Local 5 and the City of Tempe July 1, 2007 to June 30, 2009, is hereby amended, as described in the following paragraphs:

The Market Adjustments provision set forth in Section 3-1.2 of the MOU shall be temporarily suspended and voided until such time that the “fiscal crisis” subsides or the MOU terminates, whichever comes first.

The determination as to when the "fiscal crisis" subsides and the Market Adjustments are reinstated shall be made by the mutual consent of the parties.

Any alleged breach or impasse of this Agreement shall be resolved as provided for in the parties' MOU.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, this _____ day of _____, 2009.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney