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For Immediate ReleaseDate:July 31, 2018Contact:Harold Schapelhouman, Fire ChiefPhone:(650)380-1006 Cellular

Five Year Proposed Contract with Firefighters Union Sun Shined for 30 Day Public Comment

After seven months of negotiations with the International Association of Firefighters (IAFF) District 10 – Menlo Park Firefighters Labor Union, the Fire District's designated negotiating team has reached a conditional agreement on a successor five-year Memorandum of Understanding ("MOU" or "Agreement") with representatives from IAFF.

The District Fire Board voted to "sunshine" the conditional agreement consistent with Board Policy for 30 days prior to considering potential approval of the agreement. Similarly, the Firefighters Union is now going through its own ratification process.

The District was represented in negotiations by its Human Resources Manager, Deputy Fire Chief and Attorney/Negotiator. In addition, and before the Board voted to sunset the conditional agreement, the Fire Chief, negotiations team and the District's Financial Manager worked together with an independent, third party consulting firm, Municipal Resource Group, LLC (MRG), to conduct a costing analysis of the conditional agreement.

MRG analyzed the District's continuing and increasing cost obligations unrelated to the MOU deal points (the "status quo costs") as well as the increased costs directly associated with the proposed changes in compensation in the conditional MOU. Under the conditional MOU, the District's projected costs attributed to the changes in the proposed MOU and excluding the status quo costs are about \$10.3 million total over a five-year MOU term. That equates to a net average cost of 3.26% per year.

If all costs are considered, the District's projected costs is an average of 5.35% per year, or a 5year potential cumulative total of up to \$17 million. Chief Schapelhouman said, "After multiple updates to the Fire Board by its negotiating team, as well as completion and presentation of the independent costing analysis, we felt the Fire Board should be asked for their approval to "sun shine" the conditional agreement for public review for the next 30 days. The sun shining process is per the Board's policy guidelines and occurs prior to a formal vote of acceptance or rejection of the conditional agreement by the five-member Fire Board". Four Fire Board members voted in favor of sun shining the proposed agreement with Board member Bernstein voting "no". The successor five-year Memorandum of Understanding was posted to the District's web-site Monday evening along with a staff report explaining the economic and contractual changes and starting the 30-day clock.

Chief Schapelhouman said "a five-year agreement is good for both parties because it brings an important overall stability to the organization's labor/management relationship and allows the Fire District to accurately project labor costs over a longer horizon, which improves budgeting, fiscal planning and accuracy."

Interested members of the public who wish to comment on the proposed agreement are requested to contact the Fire Board with their comments by using the Fire Districts web-site at www.menlofire.org; and going to the upper "How Do I" tab and then using the "Contact Us" portal form, or you may contact the Board Clerk at <u>mkneier@menlofire.org</u>.

For questions about the proposed agreement, please contact Fire Chief Harold Schapelhouman at <u>harolds@menlofire.org</u> or at 650-688-8426.

The Fire District provides essential fire and emergency services to over 100,000 District residents who live in the Town of Atherton, Cities of East Palo Alto and Menlo Park, Unincorporated San Mateo County and on contract to the SLAC National Accelerator Laboratories.

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