

# CITY OF ALBUQUERQUE

Office of the Mayor/ Chief Administrative Officer



September 12, 2014

Casey Padilla, President  
AFSCME Local 624 (Transit)  
1202 Pennsylvania NE  
Albuquerque, NM 87110  
CERTIFIED MAIL and EMAIL

RE: **Implementation of the City's Last Best Offer**

Dear Mr. Padilla:

Let me begin by expressing my acknowledgement and thanks for the commitment and hard work of all of the members of the Transit bargaining unit and the services they provide to the City of Albuquerque.

With approximately 71 dues paying members and 262 non-union members within the Transit bargaining unit, the City's implementation of its Last Best Offer will provide a 3% salary increase to over 300 employees for FY 2015 (\$359,078 annualized cost to the City).

As you know, the City has followed its Labor Management Relations Ordinance (LMRO) through the course of good faith negotiations. The City and Local 624 (Transit) have reached an impasse. We have been unsuccessful at negotiating a labor agreement despite the assistance from a federal mediator. The City Council appropriated 3% salary increase approved by the Mayor, awaits Transit employees. This letter serves as official notice to you as President of AFSCME Local 624 (Transit) that the City will impose its Last Best Offer made to the Local 624 (Transit) on July 31, 2014. A copy of the City's Last Best Offer is enclosed.

PO Box 1293

Albuquerque

New Mexico 87103

www.cabq.gov

A major obstacle to a contract agreement is the issue of "Union Time". The City Administration's position is that union activities i.e. representing employees in various grievances, discipline, administrative actions should be paid for by the members of the union, a private organization, and not taxpayers. Moreover, the Labor Management Relations Ordinance itself prohibits as a matter of law, the City from paying the union to negotiate its own contract (see: LMRO 3-2-13 Negotiating Procedure (7)).

The City has offered a compromise proposal; to create a pool of donated leave time used by union leadership to conduct unions business, requiring each member to donate **3 hours of vacation leave annually** to the pool. As you know, regular City employees accrue between 100 to 160 hours of vacation per year depending on their years of service. This compromise was accepted by over 66% of other unionized City employees including Fire, Police, and AFCME M-Series.

Your last offer made at Impasse mediation, required a three-year contract through FY 2017 along with an additional 3% salary increase each year. As has been discussed with you in the past, the Administration **cannot** and **will not** repeat the past mistake of making financial promises when the uncertainty of future City revenue and budget needs are unclear. This practice is unfair to the expectations of our employees, ties the hands of future policy makers and appropriators, has led to costly and uncertain litigation, and is an irresponsible fiscal commitment.

Unfortunately, other demands contained in your proposal are also non-starters. Your proposal requires the City to accept an "Evergreen" clause that would extend each contract upon their expiration until a new contract with your union is reached. This nullifies the important NM Court

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Letter to Casey Padilla, President  
AFSCME Local 624 (Transit)

of Appeals ruling recently litigated in the City's favor and creates a scenario where future negotiations are entirely one sided only to your benefit. Secondly, in the event of any impasse, the

City would agree in advance of any contract negotiation to binding arbitration contrary to what is required in the LMRO. To accept these two provisions that heavily endure to the benefit of the union, undue established law, and compromises the very underpinnings of management's ability to meaningfully negotiate and bargain with labor are simply unacceptable.

Respectfully, it strikes me as odd; that the City is the one trying to give your members a much needed raise, yet you will only allow it to be voted upon and accepted in exchange for the following:

- 1) Agree to provide your local union presidents/staff/stewards free time to conduct union activities at taxpayer expense.
- 2) Agree to a 3 percent raise for the next three years-through 2017.
- 3) Agree that when contracts expire they really do not because all terms and conditions continue, until you agree to a new contract (Evergreen) even though the Court of Appeals ruled otherwise.
- 4) Agree to give up the City's Impasse procedures that are contained in the Labor Management Relations Ordinance and validated by the appeal courts.

After careful consideration, the City can no longer allow these unreasonable conditions to hold a pay raise for a large number of City employees "hostage". As a result, the City's Last Best Offer will be implemented effective the pay period of September 6, 2014 through September 19, 2014, or as specified in the Last Best Offer. The provisions of the City's Last Best Offer shall remain in effect for the term of the agreement for twelve (12) months from the date of implementation.

In summary, a 3% **salary increase will be imposed**, Union representation is provided for pursuant to law and based on a "Union Time Pool" requiring each member to contribute 3 hours per year, the PERA contribution increases mandated by the State legislature is included, and contract provisions are clarified.

If you have any questions please contact John Martinez, Chief Negotiator for the City of Albuquerque (phone number 228-1360). Thank you for your attention to these matters.

Best regards,



Robert J. Perry  
Chief Administrative Officer

CC: Richard J. Berry, Mayor  
John Martinez  
Department Directors  
Rocky Gutierrez, AFSCME Council 18

City of Albuquerque Proposal  
For the Negotiations with AFSCME – Transit  
July 31, 2014 – Time 13:42  
✓ Last Best Offer

This proposal replaces any and all previous offers/proposals made by the City. The AFSCME - Transit CBA expired on June 30, 2011. The City of Albuquerque proposes the approval of the language that existed in the City/Transit CBA that expired on June 30, 2011, with the following changes:

Article 1.3 Union Rights

Sections 1.3.3, 1.3.4, and 1.3.6 are deleted and replaced with the following language under Section 1.3.3: Union Members will donate three (3) hours of their accrued vacation hours each year on or about January 1<sup>st</sup> to a pool of time identified as Union Business Leave. This pool of time will be utilized by Union Officers and Union Representatives to conduct any and all official union business and employee representation duties conducted during the Officer's or the Representative's normal work time. Such time shall be requested and documented in writing with the immediate supervisor and the Human Resources Director or designee.

Article 2. Pay Provisions

Sections 2.1.1, 2.1.2 & 2.1.3 are deleted and replaced with the following language under Section 2.1.1 The City proposes a three percent (3%) increase to the current rates of pay for bargaining unit employees. No step increase will be granted for the term of this agreement.

Section 2.3.3 & 2.3.4 Unpaid leaves counted as time worked – DELETE this language

Article 3. Insurance Coverage & Benefits

3.2.2. The City offers group hospitalization plans for employees. Participation in the plans is voluntary. The City will pay 80% of the premium of the plan selected by the employee and the employee will pay 20% of the premium. The plans will continue to be in effect until modified or amended by the City.

Article 4. Retirement Plan

4.1.4 Vote on Increased Formula – DELETE this language

Article 20. Promotional Procedures and Policies

20.1.4 and 20 1.4.1. LCA input on upgrade – Delete this language

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Article 24. Disciplinary Actions

24.1.5.1 Disciplinary action will be initiated when actions or lack of action on the part of the employee have been documented and reviewed and management believes disciplinary action is necessary.

24.1.5.3 It is acknowledged by the parties that investigations into employee misconduct will in many cases be conducted without the knowledge of the employee being investigated.

Article 25. GRIEVANCE and APPEAL PROCEDURES

**25.1 Grievance Procedure (This replaces the current grievance procedure)**

25.1.1 A grievance is defined as a complaint that alleges violations of this agreement or disciplinary actions initiated by management that is lacking “just cause”. This grievance procedure provides a means for reconciling employee/union grievances and is the only grievance procedure available to the union and bargaining unit employees.

25.1.2 No individual participating in this grievance procedure shall suffer any retaliation, discrimination, restraint, coercion or reprisal as a result of filing or participating in this grievance procedure.

25.1.3 The filing of a grievance or the intent to file does not relieve any bargaining unit employee of assigned duties and responsibilities.

25.1.4 Employees who elect not to be represented by the Union may appeal a disciplinary action by appealing the action to the Personnel Board as provided for in the Merit System Ordinance. Employees who elect to be represented by the Union may appeal contract violation and disciplinary action through this grievance procedure.

25.1.5 All grievances shall be filed with the Human Resources Department. The grievances may be filed via email. The written grievance shall include:

The language in the Agreement that is alleged to have been violated;

The date the violation occurred, if known;

The bargaining unit employee(s) involved;

A clear and concise statement of the alleged violation;

The specific relief requested “to be made whole” is not an appropriate relief request; and

The signature of the grievant and the Union President or designee and must be dated.

**Time Limits**

In determining the time limits, for this purpose, the date of the commission or omission of the act that generated the grievance shall not be counted.

Days shall mean days that the Human Resources Offices are open for business. If the last day of the time limit for filing a grievance at any step falls

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on a date that the Human Resources Department City is not open for business during regular work hours, the deadline will be the next business day. Time limits may be extended by written mutual agreement of the parties. If the time limits are not met the grievance shall be null and void.

25.1.6           Grievance Steps for Employees Electing to have Union Representation.

**Step One.** A written grievance must be submitted to the Human Resources Director and time stamped at the Human Resources Department, or sent via e-mail, within ten (10) days of the alleged violation. The applicable Department Director or designee and the grievant and the grievant's representative shall have ten (10) days to resolve the grievance at this level.

**Step 2.** If the issue is not resolved for whatever reason within ten (10) days of the submittal at Step 1, the grievant/ the union may advance the grievance to the Chief Administrative Officer of the City. The grievance must be submitted to the Human Resources Director and time stamped in the Human Resources Department, within twenty (20) days of the submittal at Step 1. The Chief Administrative Officer of the City or designee and the grievant and the grievant's representative shall have ten (10) days to resolve the grievance at this level.

If the issue is not resolved for whatever reason within ten (10) days of the submittal to the Chief Administrative Officer, the grievant/ the union may advance the grievance by filing a *Notice of Intent to Appeal to Arbitration*, delivered and time stamped at the Human Resources Department addressed to the Human Resources Director or e-mailed to the Human Resources Director within twenty (20) days of the filing of Step 2. The panel of arbitrators shall be requested with thirty (30) days of filing a Notice of Intent to Appeal to Arbitration.

**Selection of an Arbitrator**

An arbitrator shall be selected from an unrestricted list of seven (7) arbitrators requested from the Federal Mediation and Conciliation Service (FMCS). The selection of the arbitrator will be accomplished by the parties striking names until only one name remains. The remaining person shall be the arbitrator. The grieving party shall strike the first name. The selection of the arbitrator shall take place at the Human Resources Office within ten (10) days of receipt of the FMCS list.

**Arbitration Procedures**

1. Issues of arbitrability shall be decided by the Arbitrator.
2. The Arbitrator shall have the authority to accept, modify, or reverse the action that generated the grievance.

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3. In the event of reinstatement, a reduction, or recession of a suspension or demotion, the Arbitrator's award shall be limited to back-pay and benefits for lost time, less any compensation received by the employee during the suspension, demotion or termination.
4. The burden of proof shall be determined by the Arbitrator.
5. The standard of review for appeal shall be governed by the New Mexico Uniform Arbitration Act.
6. The Arbitrator shall have the authority to interpret and determine compliance with the provisions of the collective bargaining agreement (CBA). The Arbitrator may not add to, detract from, or alter in any way the language of the Collective Bargaining Agreement or the Labor-Management Relations Ordinance, but may give interpretation or application to such terms and apply appropriate relief.
7. The Arbitrator will make his/her decision based on the evidence presented at the hearing and briefs presented by the parties if briefs are submitted.
8. The Arbitrator's decision is final and binding on the parties.
9. The parties will share equally in the total cost of the arbitration procedure.

#### General Provisions

1. The arbitrator shall have the authority to conduct the arbitration proceeding in accordance with the applicable FMCS policies and procedures.
2. The Chief Administrative Officer, Director of Human Resources, Department Director and the grievant/the Union President or designee have authority to settle grievances/ labor-management disputes.
3. The parties may agree to settlement of an issue at any time during the process.
4. All settlements between the parties shall be reduced to writing and shall be signed and dated by the parties.
5. The Union is the exclusive representative of the employees in this bargaining unit. No one else may represent employees in this process without the express written approval of the grievant, the Union President or designee.
6. Grievances filed by the Union, not on behalf of an employee, are the express property of the Union and cannot be withdrawn by bargaining unit members.
7. An individual employee may not invoke the arbitration procedure of this Agreement.
8. This is the only grievance procedure available to bargaining Unit employees.

#### Article 40. General Administrative Provisions

40.2.4 MOU's are valid only for the term of the agreement that is in place at the time the MOU is signed.

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40.8.1 This agreement is effective on the first full pay period following settlement, ratification, and signature by the parties and shall remain in full force and effect for twelve (12) months from the date of signature.

40.8.2 Delete (outdated effective dates).