Binding Interest Arbitration - Select Agencies

City	Binding Interest Arbitration	Bargaining Groups	Elements	Policy Language	History	Costs
Alameda	Yes	Fire	*All disputes pertaining to specific economic items only (e.g. base salary, health insurance, retirement). *Binding arbitration for grievances and discipline per MOUs *Working conditions are not covered *If arbitrator awards more than the City offered, then the difference between the two offers goes to a vote of the people for approval of decision and funding *Issue by issue *3 member panel	Charter	*1 interest arbitration proceeding, but no decision was ever implemented and vote of the people was not taken because parties returned to table and negotiated a settlement *Fire received more or less what the POA received (with nuances) *City originally offered more or less what was offered to POA, but Fire rejected offer and went to arbitration *Arbitrator would have awarded a little more than what was given to POA, but City offered a longer-term contract *Approximately 17 items were brought to arbitration	*Hard and soft costs of approximately $250,000 *The negotiated agreement probably cost the City more than they would have liked, but the then-CM felt that resolving the dispute was worth the cost
Gilroy	Yes	Fire, Police	*All disputes or controversies pertaining to wages, hours, or terms and conditions of employment remaining after negotiations *Establishment of procedures for the resolution of grievances over the interpretation or application of any negotiated agreement, including a provision for binding arbitration of those grievances *Issue by issue *3 member panel	Charter	*2 interest arbitration proceedings with Fire *In 2000 minimum staffing was a major issue; arbitrator decided that staffing would be increased from 6 to 8 (so 3 at each station and now 4 at each station) *Minimum staffing had to be implemented immediately, which required the City to incur overtime costs to provide additonal staffing while the City went through process of hiring additional firefighters *On an ongoing basis, the City had to fund additional firefighter salary and benefit costs, forcing other City departments to reprioritize and eliminate any increases in spending *Second arbitration decision is pending (contract expired 12.31.04	*Costs to date for 2006 arbitration are $200,000 for legal counsel and arbitrators, excluding staff time *Costs will increase, as process has not been completed

updated 04.25.06

Binding Interest Arbitration - Select Agencies

City	Binding Interest Arbitration	Bargaining Groups	Elements	Policy Language	History	Costs
Oakland	Yes	Fire, Police	*All disputes or controversies pertaining to wages, hours, or terms and conditions of employment remaining after negotiations *Binding arbitration for grievances and discipline per MOUs *Issue by issue *1 arbitrator	Charter	*Fire has gone to arbitration many times *Police have taken single items to arbitration on 4 to 5 items over 20 years *Results have been mixed - sometimes in the City's favor and sometimes in the Union's *From 1974 - 1992, there have been 6 arbitration decisions	*Very expensive as there is a tremendous amount of outside legal counsel time to prepare and to arbitrate, plus costs related to staff time and resources *The 1991-1992 arbitration decision cost the City approximately $1.3M more than what was budgeted in a year in which the City made reductions of over $7M citywide *Procedural costs in 1991-1992 were approximately $235K
Palo Alto	Yes	Fire, Police	*All disputes or controversies pertaining to wages, hours, or terms and conditions of employment remaining after negotiations *Establishment of procedures for the resolution of grievances over the interpretation or application of any negotiated agreement, including a provision for binding arbitration of those grievances *Issue by issue *3 member panel	Charter (1978)	*3 arbitration hearings *2 in favor of Union (~ 1982: Rejection of City's 2-tier retirement proposal & ~1998: revoking anti-nepotism policy) *1 "compromise" (~2000: establish a mutally agreed upon set of 15 benchmark agencies).	*Unknown

updated 04.25.06

Binding Interest Arbitration - Select Agencies

City	Binding Interest Arbitration	Bargaining Groups	Elements	Policy Language	History	Costs
Redwood City	Yes	Fire	*All disputes or controversies pertaining to wages, hours, or terms and conditions of employment remaining after negotiations *Establishment of procedures for the resolution of grievances over the interpretation or application of any negotiated agreement *Issue by issue *3 member panel	Charter (1987)	*Used only used once, in approximately 1992	*Unknown
San Jose	Yes	Fire, Police	*All disputes or controversies pertaining to wages, hours, or terms and conditions of employment remaining after negotiations *Establishment of procedures for the resolution of grievances over the interpretation or application of any negotiated agreement, including a provision for binding arbitration of those grievances *Issue by issue *3 member panel	Charter (1980), MOA	*Used 4 times *Police 1994, Fire 1991 and 1994, & Police/Fire retirement 1997 *Fire's last MOA expired in 2003 and negotiations are ongoing; POA ratified a new 4-year MOA, retroactive to 03/01/04 *Fire union has filed a lawsuit against the City regarding the POA's MOA, alleging a violation of an agreement that the police and the firefighters negotiate retirement benefits together	*Unknown

updated 04.25.06