

Lompoc City Council Agenda Item



City Council Meeting Date: August 5, 2014

TO: Patrick Wiemiller, City Administrator

FROM: Gabriel Garcia, Human Resources Manager
g_garcia@ci.lompoc.ca.us

SUBJECT: Implementation of the Settlement Agreement and Release of Claims Between Certain Lompoc Police Officers' Association Members and the City of Lompoc; Approval of the Amendment to the Lompoc Police Officers' Association Memorandum of Understanding; Adoption of Resolution No. 5946(14)

Recommendation:

Staff recommends the City Council:

- 1) Authorize the implementation of the Settlement Agreement and Release of Claims (Agreement) between certain members of the Lompoc Police Officers' Association (Plaintiffs) and the City with respect to the matter filed in the US District Court, namely, *Rachel Delkener, Gail Densmore, Mathew Paine, Trish Warfield and Leah Chase, v. City of Lompoc; Lompoc Police Department; et. al.*, Case No. CV13-02919 PA (AGRx);
- 2) Authorize the appropriation of funds to satisfy the terms provided by the Agreement;
- 3) Approve an Amendment to the Lompoc Police Officers' Association Memorandum of Understanding (Amendment) providing for paid meal periods to the Police Dispatcher job classification's modified work schedule; and
- 4) Adopt Resolution No. 5946(14) approving the Amendment and appropriations of the funds associated thereto.

Background:

On April 25, 2013, Plaintiffs filed a complaint in the United States District Court, Central District of California, namely, *Rachel Delkener, Gail Densmore, Mathew Paine, Trish Warfield and Leah Chase, vs. City of Lompoc; Lompoc Police Department; et. al.*, Case No. CV13-02919 PA (AGRx), which alleged the City failed to pay overtime wages to police dispatchers required to stay on duty during their meal periods in violation of the

Fair Labor Standards Act (FLSA).

In preparation for the trial set for March 25, 2014, negotiations took place between the parties' legal counsel, including a face-to-face mediation session on December 4, 2013. After which, an agreement was reached and the Agreement was prepared, subject to the approval of the Court. On March 4, 2014, the United States District Court Judge approved the Agreement and ordered it should be implemented in accordance with its terms.

Discussion:

The Agreement does not constitute an admission of wrongdoing, contract or statutory violation, or liability on the part of either party and was intended to be a fair and reasonable compromise of the parties' dispute.

The terms of the Agreement consist of the following:

1. Payment of overtime wages to Plaintiffs for hours worked between April 24, 2011, and April 24, 2013;
2. Payment of attorneys fees to Plaintiffs' attorneys; and
3. Adoption of a resolution providing for paid meal periods for all police dispatchers.

Provisions 1 and 2, above, included time specific dates for completion and have already been disbursed in accordance with the conditions set forth in the Agreement. Payment of these wages and fees were satisfied on March 14, 2014, and March 21, 2014, respectively.

As a consequence of the terms of the Agreement, a new 3/12 Shift Schedule for Police Dispatchers is proposed. This new modified work schedule contract supersedes all prior work agreements and designates the new FLSA work periods and includes the paid meal break for police dispatchers for every shift in excess of 5.5 hours in length. Approval and implementation of the paid meal break is addressed in the proposed Amendment and attached to Resolution No. 5946(14).

Fiscal Impact:

The dollar amount related to Provisions 1 and 2 of the Agreement is \$77,467.53. This total includes \$51,078.20 payable to the eight police dispatchers affected. The payment of the settlement is considered compensation for purposes of Federal Income Tax and State Income Tax. As the payments are related to overtime, California Public Employee Retirement System contributions are not affected. As a payment of overtime, all

deductions and taxes were charged as appropriate. In addition, appropriate City-provided benefits attributable to overtime compensation such as unemployment insurance, disability insurance, and Medicare were charged at the time the payments were generated at rates in effect at the time of payment under the Agreement. The total costs of benefits and insurance, other than costs directly related to the Agreement, were approximately \$1,390. Attorneys' fees of \$25,000 are not compensation and the FY 2013-15 Budget has appropriations available for such costs.

Provision 3 of the Amendment provides for 4 hours of scheduled overtime each pay cycle for each dispatch shift. Each pay cycle includes 8 shifts to provide for the current level of services. In total 832 hours of overtime will be scheduled annually to provide for Provision 3 of the Amendment. These hours are above the budgeted overtime to staff dispatch at current levels of service.

The funding source for the appropriations related to compensation is from General Fund Reserves. Resolution No. 5946(14) provides for the supplemental appropriations as necessary for this settlement.

Conclusion:

In the interest of promoting harmonious labor relations, and to avoid uncertainty, inconvenience, and expense of litigation, and in consideration of the mutual compromise and release contained in the Agreement, the City and Plaintiffs want to settle the outstanding issue of the paid meal break for police dispatchers as described in the Agreement. Based on the aforementioned, Staff recommends City Council adopt Resolution No. 5946(14), which effectuates the approval of the Amendment and approval of the paid meal break for the job classification of Police Dispatcher as implemented in the new modified work schedule outlined in the Amendment.

Respectfully submitted,

Gabriel Garcia, Human Resources Manager

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Patrick Wiemiller, City Administrator

April 15, 2014
Stipulated Settlement Agreement with LPOA
Page 4 of 4

Attachment: [Resolution No. 5946\(14\)](#)