HOUSTON CITY COUNCIL JOINT BFA/LABOR COMMITTEE

COLLECTIVE BARGAINING AGREEMENT AND FIREFIGHTER SETTLEMENT

PATRICK M. "MARTY" LANCTON
PRESIDENT, HPFFA, LOCAL 341
THREE KEY OBJECTIVES

• RECRUIT AND RETAIN QUALIFIED FIREFIGHTERS, EMT’S, AND PARAMEDICS
• RESOLVE AND MITIGATE THE PENDING PAST LIABILITY
• COLLECTIVE BARGAINING AGREEMENT MOVING FORWARD
Introduction
How we got here
The legal realities
The benefits
• HPFFA was established in 1932

• We are the sole bargaining agent for and represent the classified firefighters, paramedics and EMTs of the Houston Fire Department

• Our mission is fair compensation, working conditions, grievance resolution and wellness
Key events from 2003-2023

• 2003 – Voters approve collective bargaining for Houston firefighters

• 2017 - Collective bargaining reaches an impasse
  o We asked for voluntary arbitration. The city said no, so we exercised our rights under state law to ask the courts to intervene.

• 2018 – The City lost in the district court and appealed.

• 2021 – The City lost at the 14th Court of Appeals and appealed to the Texas Supreme Court.

• 2023 – The city lost a third time before the Texas Supreme Court, sending the case back to the district court for trial, which was scheduled to begin on March 25th of this year.

• 2023 - Then-Senator John Whitmire wins legislative approval of mandatory binding arbitration bill.

Through the years, our repeated requests to resume negotiations were ignored.
The City’s court challenge was based on three key components:

1) That the city has sovereign immunity
2) That the Private Sector Pay standard (40/hr week) was unconstitutional
3) That the Judicial Remedy for a contract impasse was Unconstitutional

The Law

- The State of Texas Collective Bargaining Law mandates a resolution to a contract impasse
- Firefighters are prohibited from striking. We would never want that, but it is prohibited by law.
- The mandate requiring contract resolution exists as a counter to the strike prohibition.
SUBCHAPTER B. CONDITIONS OF EMPLOYMENT AND RIGHT TO ORGANIZE

Sec. 174.021. PREVAILING WAGE AND WORKING CONDITIONS REQUIRED. A political subdivision that employs fire fighters, police officers, or both, shall provide those employees with compensation and other conditions of employment that are:

1. Substantially equal to compensation and other conditions of employment that prevail in comparable employment in the private sector; and
2. Based on prevailing private sector compensation and conditions of employment in the labor market area in other jobs that require the same or similar skills, ability, and training and may be performed under the same or similar conditions.

Added by Acts 1993, 73rd Leg., ch. 269, Sec. 4, eff. Sept. 1, 1993.

Sec. 174.022. CERTAIN PUBLIC EMPLOYERS CONSIDERED TO BE IN COMPLIANCE. (a) A public employer that has reached an agreement with an association on compensation or other conditions of employment as provided in this chapter shall be deemed, in the aggregate, a public employer that is in compliance with this chapter.
• Under Federal law, any private sector comparison must utilize a 40-hour work week NOT 46.7 hours a week.

• That means the city of Houston would have to compare on a cost-per-hour basis of 40 hours, which would create more financial liability for the city. Using that comparison, experts have pegged the wage disparity between 45% and 50%, dating back to 2017.

• Through this settlement, all past liability is resolved and captured in a box. HPFFA agreed to base FUTURE negotiations comparing ourselves to the SALARIES (not cost per hour) of Dallas, Austin, San Antonio, and Fort Worth.
THE LAW WHEN ARBITRATION IS REJECTED
THE TEXAS SUPREME COURT MANDATE
THE COURT ORDER MANDATING RESOLUTION OF ALL BACK PAY FROM 2017 FORWARD
HFD has brought in $422,178,449 million over the last four years.

HFD raised over $107 million last year in revenue.

This settlement costs $35-$40-million-dollar per year (0.64% of city budget).

As additional personnel retention and recruitment is addressed revenues should increase.

The majority of these revenues are generated by EMS services, inspections, permits, and federal/state assistance reimbursements for deployments.

Several revenue sources are not currently utilized or fully realized by HFD.
THE IMPACT OF THE LAST EIGHT YEARS

- Depleted staffing
- Wasted training dollars on cadets who leave for other departments
- Higher response times
- Explosion in call volume and not enough staff to handle it
- Unprecedented low morale
- Firefighters feel disrespected and abandoned
• The number of calls we respond continues to increase in the last decade, while our staffing has been declining.

• The department stopped posting response times six years ago when the times started increasing, reflecting the staffing deficiencies.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total calls Fire/EMS</th>
<th>Average Response Time</th>
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<tbody>
<tr>
<td>2023</td>
<td>395,871</td>
<td>Not Available</td>
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<tr>
<td>2022</td>
<td>384,229</td>
<td>Not Available</td>
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<tr>
<td>2021</td>
<td>383,889</td>
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<tr>
<td>2020</td>
<td>344,381</td>
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<td>2019</td>
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<td>2018</td>
<td>340,306</td>
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<td>2017</td>
<td>341,166</td>
<td>6.03 Minutes</td>
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<tr>
<td>2016</td>
<td>335,967</td>
<td>5.98 Minutes</td>
</tr>
<tr>
<td>2015</td>
<td>332,963</td>
<td>5.97 Minutes</td>
</tr>
<tr>
<td>2014</td>
<td>318,627</td>
<td>5.95 Minutes</td>
</tr>
<tr>
<td>2013</td>
<td>299,171</td>
<td>5.85 Minutes</td>
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### WHY WE HAVE A STAFFING SHORTAGE

<table>
<thead>
<tr>
<th>Fiscal Years</th>
<th>Hiring Goal</th>
<th>Hired</th>
<th>Graduated</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>FY21</td>
<td>350</td>
<td>243</td>
<td>140</td>
<td>58</td>
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<tr>
<td>FY22</td>
<td>280</td>
<td>276</td>
<td>210</td>
<td>87</td>
</tr>
<tr>
<td>FY23</td>
<td>350</td>
<td>267</td>
<td>163</td>
<td>61</td>
</tr>
</tbody>
</table>

*HFD's own numbers presented to City Council's Public Safety Committee 9/21/23

- **Hires needed to maintain staffing over the last three years:** 980
- **How many hired?** 786
- **How many graduated?** 513
- **What's missing?** The number of graduates who left over the last three years for other departments.

WE HAVE MISSED THE MARK BY HUNDREDS

- 467
THE IMPACT - STAFFING
San Antonio is guaranteed pay raises of a minimum of 21%. That is the city’s starting point in negotiations.
THE IMPACT – MENTAL HEALTH

• HFD has experienced a significant increase in PTSD

• Demand for treatments and support services has soared to an all-time high

• Members are reaching out daily and utilizing resources including the Employee Assistance Program (EAP) and clinicians provided by Local 341 and HFD.

• Typically, 2 to 5 members are undergoing inpatient treatment for PTSD and related conditions at any given time.
HFD OPERATIONS AND OTHER DIVISIONS

- Houston is legally bound to a 46.7-hour work week. Operations schedule is a result of a settlement in a lawsuit regarding disparate impact and minority promotions within the department.

- Houston Fire Department is the largest and busiest Fire, EMS, and Rescue Department in the state and one of the busiest in the nation.

- Fort Worth and Austin do not operate the EMS

- Ft. Worth EMS Issues

- Staffing Model Recommendations
The Settlement/Contract

- Resolves all outstanding pay issues dating back to 2017.
- Brings Houston firefighter salaries closer to what is paid in other large Texas cities.
- Incentives to improve recruitment and retention.
- New provisions to facilitate the transfer of firefighters from other area departments.
- Ensures fiscal responsibility
- A balanced compromise between the city and the HPFFA.
- There was give and take by both sides.
THE BENEFITS

Cost savings in the long term through reduced legal and arbitration expenses.

Improved firefighter morale and retention.

With more firefighters we can begin work to reduce response times.

Annual budgetary certainty.

Stronger relationships between the city, firefighters and the community.

- Management’s rights are clearly defined
- Joint labor-management committee
- Wellness initiatives to reduce accidents and keep insurance costs down
- Incentives to encourage increased education among firefighters
- Mechanisms to reduce use of sick leave
- An amended and expedited hiring process to speed improvements in recruitment and retention.
• Under the collective bargaining agreement, drug testing is not being eliminated; it will continue for:
  o Pre-employment
  o "For cause"
  o Pre-promotions
  o After absences exceeding 30 days
  o Following accidents involving injuries

Local 341 is committed to fostering a safe and accountable workplace through proactive behavioral health and safety measures.
EXPANDED MENTAL HEALTH TREATMENT OPTIONS

• Changes in the collective bargaining agreement put in place new policies that will allow our firefighters to utilize effective and safe alternative treatment methods that are becoming the standard in the U.S. Fire Service.

• These treatments can involve individualized non-impairing, low-dose cannabinoid prescriptions.

• All alternative treatment options are in compliance with existing state law, require monitoring by a medical doctor and supervised plans to ensure safety.

• Other agencies that have adopted these policies in their collective bargaining agreements include: The Woodlands, Conroe, Phoenix and Austin fire departments, the Montgomery County Hospital District, several emergency services districts.

OUR PRIMARY OBJECTIVE IS TO PROVIDE HOUSTON FIREFIGHTERS ACCESS TO ALL TREATMENT OPTIONS FOR OCCUPATIONAL INJURIES LIKE PTSD.
IMPACT OF CITY’S LITIGATION AND IMPACT TO VOTERS

- The voters expressed their stance in 2003 when they granted Houston firefighters the right to collectively bargain for pay, benefits, and working conditions and in the overwhelming passage of Prop. B.

- The Texas Supreme Court upheld our voter-approved CB rights in 2023.

- The city fought the will of the voters in the courts and lost. The court decides judgment.

- The Texas Supreme Court ruling legally binds the city to make good on the back pay it owes firefighters.

- There are only two options for doing this:
  - Implement the negotiated settlement
  - Implement judgment rendered by the court
JUDICIAL ENFORCEMENT/TRIAL VS SETTLEMENT

• A negotiated settlement offers a not-to-be-missed opportunity to rectify the past neglect/ provide financial certainty.

• The cost of a decision reached in arbitration is unknown and payable immediately.

• Fiscal analysts estimate the unknown cost could be $1.5 billion or higher + pension liabilities.

• Financing the back pay with bonds spread over 30 years is more manageable and minimizes the budget strain.
• The City Charter prohibits City Council from engaging in employee pay and benefits negotiations.

• An attempt to do this previously was ruled out of order. We have provided a link to that discussion. Several of you were there for it.

• Contract negotiations are the sole responsibility of the HPFFA and the administration.
Acknowledging the disparity in compensation and working conditions that have existed for firefighters for eight years is important.

While firefighters were forced to fight the city in the courts, this city council approved contracts for other city employee groups.

This settlement is a reminder of the importance of equitable treatment for all essential public servants.

We will stand in support of our brothers and sisters in other city departments as they prepare to negotiate their own new contracts.
NEXT STEPS?

• Texas AG review in progress/Court

• City Council approval

• City moves to sell judgment bonds

• New collective bargaining agreement goes into effect on July 1, 2024
SUPPORT FROM FIREFIGHTERS

Houston firefighters are ready to move forward.

The proposed settlement won an unprecedented 94% approval rating from our rank and file.
SUMMARY

- Financial certainty
- Resolution of past issues
- A plan for recruitment and retention
- Clear commitment to support Houston firefighters
QUESTIONS?