

MAR 01 2011



BY Mary Chirila deputy
CLERK OF THE BOARD

AGENDA SUBMITTAL TO SOLANO COUNTY BOARD OF SUPERVISORS

ITEM TITLE		BOARD MEETING DATE	AGENDA NUMBER
Consider adopting a resolution approving the Memoranda of Understanding with Unit #6, Public Employees Union, Local One; and Adopting resolutions paying and reporting the value of employer paid member contributions to CalPERS for Bargaining Unit #6		March 1, 2011	17
Dept:	Human Resources	Supervisorial District Number	
Contact:	Donald Turko	ALL	
Extension:	2552		
Published Notice Required?		Yes _____	No <u>X</u> _____
Public Hearing Required?		Yes _____	No <u>X</u> _____

DEPARTMENTAL RECOMMENDATION:

Staff recommends the Board of Supervisors consider:

1. Adopting a resolution approving the Memorandum of Understanding (MOU) with Unit #6 – Public Employees Union (PEU), Local One through October 13, 2012; and
2. Adopting resolutions paying and reporting the value of employer paid member contributions (EPMC) to CalPERS for Bargaining Unit #6 effective March 6, 2011 and June 26, 2011.

SUMMARY:

The MOU for Unit #6, PEU, Local One, Health and Social Services Supervisors, expired on October 2, 2010. The parties have been negotiating since July 16, 2010, in an attempt to reach a tentative agreement on a successor MOU to the expired MOU. In accordance with Section 3500 et seq. of the California Government Code, representatives of the County Management Team and PEU, Local One reached agreement on the terms and conditions of employment, for a successor MOU from October 3, 2010 to October 13, 2012. Employees of Unit #6 ratified the terms of the agreement on February 15, 2011.

The MOU contains the following major changes:

1. Permanent reductions in the EPMC. This agreement will make permanent reductions to EPMC. The first reduction of 3% is effective upon Board adoption of the MOU. In addition, an additional 3% reduction to EPMC will be implemented effective June 26, 2011, saving the County the entire 6% of previously provided EPMC.

2. A second retirement tier of 2% @ 60 for future employees. This provision of the MOU will become effective upon agreement of all miscellaneous bargaining units.
3. A 50/50 split for employer CalPERS rate costs over 14% and up to 17%, effective June 24, 2012.
4. Modification of step increases for new hires to be at 26 pay period increments, thereby extending the period of time it takes to get to the top salary step from 3.5 years to 4 years.
5. Changes to the Health & Welfare Insurance to reflect 75% of the CalPERS Kaiser Bay Area Region family rate effective January 2012.
6. Provides a cost of living increase, effective January 8, 2012, of 0-3% based on CPI.
7. Facility Closure/Furlough. Upon agreement of all represented non-safety groups, this provision would authorize the Board of Supervisors to implement a furlough/facility closure of up to twelve days per fiscal year.
8. Bi-lingual Pay. This proposal increases the monthly bi-lingual pay allowance for designated employees from \$55 per month to \$65 per month and is consistent with the allowance received by other employees.
9. Floating Holidays. Effective December 31, 2011, two floating holidays are eliminated.

A copy of the MOU for Unit #6 is on file with the Clerk of the Board.

FINANCING:

The EPMC savings over the term of the contract are (\$738,156); savings from the 50/50 split of the employer rate costs over 14% and up to 17% are estimated at (\$31,498); savings for modifying the employer contribution from 80% to 75% of the CalPERS Kaiser Bay Area Region family rate, effective January 2012 are (\$59,731); savings from elimination of 2 floating holidays are (\$43,190). Costs for the increases for the bi-lingual pay allowance and the COLA are estimated at \$169,904. The total savings over the term of the contract are (\$702,671) with general fund savings of (\$67,794). The table on the following page summarizes this information.

Description	County Cost or (Savings) FY 2010/11	County Cost or (Savings) FY 2011/12	County Cost or (Savings) FY 2012/13	Cumulative Totals
COLA: 0 – 3% based on CPI effective 01/08/12	0	53,987	112,293	166,280
03/06/11: 3% EPMC reduction, add'l 3% reduction effective 06/26/11	(54,419)	(340,119)	(343,618)	(738,156)
Bi-lingual Pay	504	1,560	1,560	3,624
Decrease contribution to cafeteria plan to 75% of CalPERS Kaiser Bay Area Region family rate	0	(22,006)	(37,725)	(59,731)
CalPERS employer rate sharing 14%- 17%	0	0	(31,498)	(31,498)
Eliminate 2 Floating Holidays	0	0	(43,190)	(43,190)
Total Savings	(53,915)	(306,578)	(342,178)	(702,671)

DISCUSSION:

The MOU for PEU, Local One, Unit #6 covers approximately 70 employees in the Health and Welfare Supervisory job classes including Eligibility Benefits Specialist – Supervising, Eligibility Resources Specialist – Supervising, Special Programs Supervisor, Social Services Supervisor, Mental Health Services Coordinator, Substance Abuse Program Coordinator, Program Specialist, Special Programs Supervisor, Social Services Program Coordinator, and Mental Health Clinical Supervisor. On June 29, 2010, the Board adopted a resolution of its intent to negotiate a lower retirement tier for all new hires. Discussions with the PEU, Local One began on July 16, 2010 and a tentative agreement was reached on February 3, 2011.

Major revisions to the MOU include the following:

- Retirement** A second tier retirement plan of 2% @ 60 effective upon agreement of all miscellaneous bargaining unit employees.
- EPMC** Effective upon Board adoption of the MOU, a 3% reduction to EPMC. Effective June 26, 2011, EPMC will be reduced an additional 3%.
- Salary** Effective January 8, 2012, a COLA of 0-3% based on CPI.
- Term** October 3, 2010 to October 13, 2012.
- Holidays** Effective December 31, 2011, eliminate two (2) floating holidays. The time period to take the optional holiday (which is normally taken between Christmas and New Year's Day) has been extended through February 15th of the following year.
- Medical** Effective January 2012, the County contribution to the cafeteria plan shall be modified to reflect 75% of the CalPERS 2013 Bay Area Region Kaiser family rate. The current MOU sets the cafeteria plan rate at 80% of the Kaiser 2010 family rate.
- Bi-lingual Allowance** Increases the monthly bi-lingual allowance from \$55 per month to \$65 per month.
- Other Provisions** The County also negotiated language in other areas. This MOU includes provisions to adjust the merit increase dates for all new employees to 26 pay periods; eliminates the need for the County to mail copies of weekly open recruitments; requires employees who are at maximum vacation accrual to request leave in writing 14 calendar days in advance of the right to tax such leave and provides for a salary survey to be completed and presented to the Union by July 31, 2012 to be used as the basis for discussions for future negotiations.

ALTERNATIVES:

The Board may choose not to approve the recommendations; however, staff does not recommend this alternative since the extension to the MOU was bargained in good faith within approved parameters. Additionally, the union has ratified this agreement.

OTHER AGENCY INVOLVEMENT:

The County Administrator's Office concurs with the recommendation.

CAO RECOMMENDATION:

APPROVE DEPARTMENT
RECOMMENDATION

DEPARTMENT HEAD SIGNATURE:



Donald W. Turko
Director of Human Resources

- Attachment A:** Resolution approving MOU for Unit #6, Page 6
Attachment B1: Misc. EPMC Resolution, Unit #6, Effective March 6, 2011, Page 7
Attachment B2: Misc. EPMC Resolution, Unit #6, Effective June 26, 2011, Page 8