



APPROVED

MAR 22 2011

BY *Maya Chirba*
OF THE BOARD

AGENDA SUBMITTAL TO SOLANO COUNTY BOARD OF SUPERVISORS

ITEM TITLE Consider adopting a resolution approving the Memorandum of Understanding with Unit #16, Public Employees Union, Local One		BOARD MEETING DATE March 22, 2011	AGENDA NUMBER 25
Dept: Contact: Extension:	Human Resources Donald Turko 2552	Supervisorial District Number ALL	
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 adopting a resolution approving the Memorandum of Understanding (MOU) with Unit #16 – Public Employees Union (PEU), Local One through January 20, 2013 (Attachment A).

SUMMARY:

The MOU for Unit #16, PEU, Local One, Mid-Managers, expired on January 22, 2011. The parties have been negotiating since October 21, 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 have reached agreement on the terms and conditions of employment, for a successor MOU from January 23, 2011 to January 20, 2013. Employees of Unit #16 ratified the terms of the agreement on March 1, 2011.

The MOU contains the following major changes; all other terms and conditions remain unchanged:

- Permanent reductions in the EPMC. The parties agreed to make permanent the temporary 3% reduction for miscellaneous and safety members which was scheduled to expire on January 22, 2011. Additionally, when the Board Resolutions 2010-59 and 2010-60 are effectuated the EPMC for bargaining Unit 16 miscellaneous and safety members will be reduced by an additional 3%. When Board Resolutions 2010-59 and 2010-60 are effectuated, the EPMC for employees in Unit 16C and Unit 16X will be reduced by one percent.
- A second retirement tier of 2% @ 60 for future miscellaneous employees. This provision of the MOU will become effective upon agreement of all miscellaneous bargaining units.
- A second tier of 2% @ 55 for all future safety retirement members. This provision will become effective upon agreement of all other employee organizations that represent employees who participate in the current 2% @ 50 retirement formula.

- A 50/50 split for CalPERS employer rate costs over 15% and up to 18%, effective June 26, 2011 for all safety retirement members.
- A 50/50 split for CalPERS employer rate costs over 14% and up to 16%, effective June 24, 2012 for all miscellaneous retirement members.
- Modification of step increases for new hires or promoted employees into the unit will 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.
- Changes to the Health & Welfare Insurance to reflect 75% of the CalPERS Kaiser Bay Area Region family rate effective January 2012.
- Provides equity increases for the following seven identified job classes due to compaction issues:

Job Title	Equity Adjustment Percentage
Appraiser (Supervising)	1.00%
Auditor-Appraiser (Supervising)	1.00%
Group Counselor (Supervising)	2.00%
Health Services Manager (Senior)	.50%
Occupational Health Program Manager	1.00%
Public Health Nurse Manager	3.36%
Dentist Manager	14.95%

- Provides a cost of living increase, effective January 22, 2012, of 0-3% based on the San Francisco/Oakland/San Jose Urban Wage Earners and Clerical Workers Consumer Price Index (CPI) for the period October 2010 to October 2011.
- 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.
- Floating Holidays. Eliminate the two floating holidays, when Board Resolutions 2010-59 and 2010-60 are effectuated.
- Agreed to conduct a Salary Survey of benchmark classifications in October 2012.
- Added Holiday Compensation for Supervising Group Counselors who are required to work on a fixed holiday. Employee will be entitled to Compensatory Time Off (CTO) for time actually worked on the fixed holiday.

A copy of the MOU for Unit #16 is on file with the Clerk of the Board.

FINANCING:

The EPMC savings over the term of the contract are (\$893,389); savings from the 50/50 split of the CalPERS employer rate costs over 14% and up to 16% for miscellaneous members are estimated at (\$35,891); savings from the 50/50 split of the CalPERS employer rate costs over 15% and up to 18% for safety members, are estimated at (\$11,561), savings for modifying the employer contribution from 80% to 75% of the CalPERS Kaiser Bay Area Region family rate, effective January 2012 are (\$46,379); savings from elimination of 2 floating holidays are (\$7,662). The Equity adjustments due to compaction issues and COLA increase salary cost by \$310,643. The total savings over the term of the contract are (\$684,239) with general fund savings of (\$187,481). The table below 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
Equity Increases for seven job classes	12,620	51,270	51,270	115,160
Continuation of 3% EPMC reduction	(203,303)	(205,883)	(207,369)	(616,555)
CalPERS employer rate cost sharing over 15% up to 18% for safety members effective 06/26/11	0	(5,760)	(5,801)	(11,561)
Decrease contribution to cafeteria plan to 75% of CalPERS Kaiser Bay Area Region family rate	0	(17,087)	(29,292)	(46,379)
Additional EPMC reduction (per BOS Resolutions 2010-59 and 2010-60)	0	(89,786)	(187,048)	(276,834)
Eliminate 2 Floating Holidays	0	0	(7,662)	(7,662)
COLA 0-3% based on CPI effective 01/22/12	0	59,948	135,535	195,483
CalPERS employer rate cost sharing over 14% and up to 16% for miscellaneous members effective 06/24/12	0	0	(35,891)	(35,891)
Total Savings	(190,683)	(207,298)	(286,258)	(684,239)

DISCUSSION:

The MOU for PEU, Local One, Unit #16 covers approximately 80 Mid Managers, who are located throughout the County in various Departments.

Major revisions to the MOU include the following:

Retirement A second tier retirement plan of 2% @ 60 for all future miscellaneous members, effective upon agreement of all miscellaneous bargaining unit employees.

A second tier retirement plan of 2% @ 55 for all future safety retirement members, effective upon agreement of all safety retirement units.

EPMC Make permanent the temporary 3% reduction to EPMC which was scheduled to expire. When BOS Resolutions 2010-59 and 2010-60, are effectuated, an additional 3% for all Unit 16 members.

When BOS Resolutions 2010-59 and 2010-60 are effectuated, the EPMC for employees in Unit 16C and Unit 16X will be reduced by 1%.

Salary Effective January 22, 2012, a COLA of 0-3% based on CPI.

Holidays When BOS Resolutions 2010-59 and 2010-60 are effectuated, the two (2) floating holidays will be eliminated.

Medical Effective January 2012, the County contribution to the cafeteria plan shall be modified to reflect 75% of the CalPERS 2012 Bay Area Region Kaiser family rate. The current MOU sets the cafeteria plan rate at 80% of the Kaiser 2011 family rate.

Other Provisions The County also negotiated language in other areas. This MOU includes provisions to adjust the merit increase dates for all new employees and promoted employees to 26 pay periods; provides for a salary survey of benchmark classifications in October 2012 as the basis for discussions for future negotiations and provides Holiday Compensation for Supervising Group Counselors if they are required to work on a fixed paid holiday of CTO time for hours worked.

Term January 23, 2011 to January 20, 2013.

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.

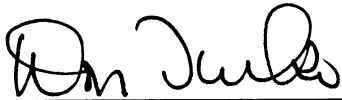
OTHER AGENCY INVOLVEMENT:

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 #16
Attachment B: Unit #16 MOU (on file with the Clerk of the Board)