



Board Agenda Item 34

DATE: November 6, 2018

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, Director of Human Resources

SUBJECT: Memorandum of Understanding for Representation Unit 39

RECOMMENDED ACTION(S):

- 1. Approve the Memorandum of Understanding for Representation Unit 39 - Operating Engineers, represented by Stationary Engineers - Local 39, effective November 5, 2018, through November 1, 2020**
- 2. Approve the related Salary Resolution Amendment as reflected on Appendix "G"**

Approval of the recommended actions would effectuate the tentatively agreed upon terms and conditions as delineated herein regarding Unit 39's successor Memorandum of Understanding (MOU), effective November 5, 2018, through November 1, 2020. The estimated cost for FY 2018-19 (\$171,767) includes \$4,919 in Net County Cost (NCC), which is included in the impacted departments' FY 2018-19 adopted budgets and will be included in subsequent annual budget requests. This is countywide.

ALTERNATIVE ACTION(S):

If your Board were not to approve the recommended actions, the existing terms and condition would remain in effect and contract negotiations would continue.

FISCAL IMPACT:

The total estimated cost of the negotiated terms and conditions for FY 2018-19 is approximately \$171,767; \$4,919 in NCC, which includes related retirement costs. The estimated year-over-year cost increase for FYs 2019-20 and 2020-21 is approximately \$215,842 (\$6,181 in NCC) and \$80,857 (\$2,315 in NCC), respectively. Sufficient appropriations are included in the impacted departments' FY 2018-19 adopted budgets and will be included in subsequent annual budget requests.

DISCUSSION:

Your Board's representatives have met and conferred with Unit 39 representatives regarding a successor MOU (latest MOU expired July 1, 2018). A tentative agreement was signed on October 4, 2018, and was subsequently ratified by Stationary Engineers - Local 39, which currently represents 68 employees.

The significant components of the MOU, effective November 5, 2018, unless otherwise noted, include the following:

- MOU Term:
 - November 5, 2018, through November 1, 2020

- Salary Adjustments:
 - 2% increase effective November 5, 2018, for all classifications
 - 2% increase effective November 4, 2019, for all classifications
- Salary Steps: (Effective January 14, 2019)
 - Increase intervals between steps from 3.125% to 5%
 - Adjust salary ranges from 9-steps to 5-steps (9th step becomes new 5th step)
- Health Insurance: (*Up to indicates that the contribution will not exceed the cost of employee's health plan selection)
 - Effective December 17, 2018
 - Increase County Contribution for Employee Only up to \$318 (increase of up to \$25 per pay period)
 - Effective December 16, 2019
 - Increase County Contribution for Employee Only up to \$343 (increase of up to \$25 per pay period)
- Equalization Pay: (Effective January 14, 2019)
 - \$1,000 one-time, non-pensionable, lump sum payment for employees who have satisfactorily completed at least 26 consecutive pay periods, at step 9, in peak level classifications (by January 13, 2019)
- MOU Reopeners:
 - Equity Review no sooner than March 11, 2019
 - Automotive Mechanic tools review no sooner than March 11, 2019
- Miscellaneous:
 - Addition, update, or deletion of MOU language and/or obsolete addenda

REFERENCE MATERIAL:

BAI #27, dated November 15, 2016, MOU for Representation Unit 39

ATTACHMENTS INCLUDED AND/OR ON FILE:

MOU for Unit 39
Salary Resolution Amendment - Appendix "G"

CAO ANALYST:

Juan Lopez