



BOARD OF SUPERVISORS
AGENDA LETTER

**Agenda
Number:**

**Clerk of the Board of
Supervisors**
105 E. Anapamu Street, Suite
407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: CEO
Department No.: 012
For Agenda Of: December 13, 2011
Placement: Departmental
Estimated Tme: 1 hour+
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Chandra Wallar, County Executive Officer, 568-3404
Jeri Muth, Human Resources Director, 568-2816

Contact Info: Joseph Pisano, Employee Relations Manager, 568-2839

SUBJECT: *Terms and Conditions of Employment for Employees Represented by
The Service Employees International Union, Local 721*

County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors implements the changes in terms and conditions of employment for the Service Employees International Union, Local 721 as shown on Attachment A and Attachment B, effective December 12, 2011.

Summary Text:

The current Memorandum of Understanding (MOU) with the Service Employees International Union, Local 721 (Local 721) expired on October 3, 2010 and was extended to June 26, 2011 by the Board on March 1, 2011. The parties have met and conferred in good faith but failed to reach an agreement for a successor MOU. The recommended action would implement (impose) provisions of the County's last, best, and final offer (LBFO) to Local 721 as permitted by law.

Background:

Local 721 represents approximately 414 employees in the Social Services, Probation, Public Health, and Public Defender's departments. Since April 2011, representatives of the County and Local 721 have been negotiating in an effort to reach a successor agreement on wages, hours, and other terms and conditions of employment in such a way as to assist the County in managing ongoing fiscal challenges.

In June 2011, the County and Local 721 agreed to bring in a mediator from State Mediation and Conciliation Services (SMCS) to help the parties move toward an agreement, and the parties subsequently met with the SMCS mediator in July, August, and twice in September, but could not reach agreement for a successor MOU. At the second meeting in September, the County formally declared impasse because negotiations were at a stalemate. The parties met again in October without reaching agreement. As part of the ongoing mediation, there was a subsequent and final meeting in November, at which the County presented an LBFO to the union. The parties did not reach agreement on overall terms and conditions of employment at that time, but Local 721 did agree to take the LBFO to their members for a vote, with no recommendation for or against ratification. The LBFO was subsequently rejected by a vote of Local 721 members.

By law, when the parties have negotiated in good faith, one party has declared impasse, and the County has provided the union with a last, best, and final offer, the Board of Supervisors has the authority to implement or impose elements of the County's LBFO.

The recommended action would implement the following changes to the terms and conditions of employment for employees in job classifications represented by Local 721:

- Acknowledgement that SEIU Local 721 is no longer affiliated with the American Federation of Labor – Congress of Industrial Organizations (AFL-CIO)
- Inclusion of the Local 721 Santa Barbara County Chapter President on the list of recipients of the following materials supplied to the Union each pay period: dues, service fees, assessments and charitable donations check off lists
- A 3.5% across-the-board wage reduction for employees in Local 721 represented job classifications;
- A 40-hour furlough as set forth in Attachment B;

- A freeze of all merit step increases;
- Elimination of employees' ability to cash out up to 40 hours of accrued vacation leave annually;
- Inclusion of "step parent" and "step child" in the definition of "immediate family member" as it applies toward employees' use of sick leave;
- Elimination of the ability to use paid sick leave for the purposes of computing overtime;
- Elimination of employer-paid retirement offset of \$25 biweekly for current and future employees;
- A provision for current and future employees to pay up to one-half of the increased annual Normal Cost of the retirement Cost of Living Adjustment (COLA) effective June 25, 2012, capped at a 2% increase for employees in a given year; and
- Pension reform via a new retirement tier for future employees (as shown on Attachment A) effective June 25, 2012, including elimination of the retiree medical program for future employees.

Fiscal Analysis:

The recommended action will implement various wage and benefit concessions resulting in estimated savings of approximately \$1,040,000 in Fiscal Year 2011-2012 (approximately \$343,000 in one-time savings and \$697,000 from permanent, ongoing savings) and approximately \$1,866,000 in Fiscal Year 2012-2013 (approximately \$490,000 in one-time savings and \$1,376,000 from permanent, ongoing savings).

Attachment A – Summary of Changes

Attachment B – Furlough Details

cc: Chandra L. Wallar, County Executive Officer
Dennis Marshall, County Counsel
Robert W. Geis, Auditor Controller
Kathy M. Gallagher, Social Services Director
Patricia J. Stewart, Chief Probation Officer
Rai Montes de Oca, Public Defender
Dr. Takashi Wada, Public Health Director