



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: February 18, 2014
Placement: Departmental
Estimated Tme: 10 Minutes
Continued Item: No
**If Yes, date
from:**
Vote Required: Majority

TO: Board of Supervisors

FROM: Mona Miyasato, County Executive Officer, 568-3404
Jeri Muth, Human Resources Director, 568-2816

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

SUBJECT: ***SEIU Local 620 Successor Memorandum of Understanding***

County Counsel Concurrence

As to form: NA

Other Concurrence:

As to form: NA

Recommended Actions:

Auditor-Controller Concurrence

As to form: NA

That the Board of Supervisors:

1. Approve a successor Memorandum of Understanding (MOU) with the Service Employees International Union, Local 620 (Local 620), effective February 17, 2014 through July 3, 2016, implementing the changes summarized in Attachment A;
2. Amend the County's Commuter Benefits Plan as set forth in Attachment D to allow employees to elect to designate pre-tax salary reductions for anticipated "Qualified Parking Expenses" per Internal Revenue Code Section 132 (f); and
3. Determine that these actions are exempt from the California Environmental Quality Act (CEQA) review as it is not a project pursuant to CEQA Guidelines section 15378 (b) (2).

Summary Text:

The most recent MOU with Local 620 expired on June 23, 2013. The parties have been engaged in negotiations for a successor contract since March 2013 and have reached a tentative agreement for a successor MOU that would expire on July 3, 2016 if approved by the Board.

The recommended actions adopt the proposed MOU in Attachment B (tracked changes) and Attachment C (untracked MOU) and amend the County's existing Commuter Benefits Election Agreement as set forth in Attachment D to include Qualified Parking Expense reimbursement, which was part of the successor agreement reached by the parties. This Board letter has been filed with the Union's knowledge in anticipation of its members' ratification of the tentative agreement prior to the Board meeting on February 18, 2014.

Background:

Local 620 represents approximately 1,850 employees working in departments Countywide. The recommended actions approve and implement provisions of a successor MOU between the County and Local 620, which include significant changes from the previous MOU (summarized in Attachment A) as well as ministerial changes to update or clarify language or to eliminate obsolete language in certain sections.

The ministerial changes include adding existing terms and conditions of employment for Deputy Public Defenders to the overall Local 620 MOU, adjusting the number of hours of sick leave employees may use annually to care for family members to comply with Labor Code Section 233.(a), and adding previously-negotiated and Board approved special duty pay designations to the MOU. These designations are not new contract provisions but were not included in the previous MOUs.

The complete text of the MOU appears in Attachments B and C. Significant highlights of the agreement include:

- The elimination of the freeze on merit step increases for eligible employees in Local 620 represented classifications effective September 30, 2013, subject to the restriction that eligible employees will advance no more than one step per year of the contract.
- A 2% wage increase for all Local 620 represented classifications, effective February 17, 2014.
- A 1% wage increase for all Local 620 represented classifications, effective June 23, 2014.
- A 1% wage increase for all Local 620 represented classifications, effective July 6, 2015.

- An increase in the Unit Cash Allowance for Deputy Public Defenders to \$236.51 per pay period, which provides them with the same amount currently received by other Local 620 represented employees.
- A decrease from 108 to 80 Administrative Leave hours a Department Head may grant to a salaried (i.e. overtime exempt) employee represented by Local 620.

The modest financial increases summarized above are necessary due to several years of concessions in the form of furloughs, elimination of certain previously-negotiated compensation, and a two-year freeze on merit increases as well as a slight upturn in the economy and the County’s ability to provide these increases in a financially prudent manner.

Fiscal Analysis:

The recommended action will restore merit step increases for employees in Local 620 represented classifications effective September 30, 2013 with the restriction that eligible employees will not advance more than one step per year of the contract.

The agreement also implements a 2% wage increase for employees in job classifications represented by Local 620 effective on February 17, 2014, a 1% wage increase for these employees effective on June 23, 2014, and an additional 1% wage increase for these employees effective on July 6, 2015. The approximate increased costs in each fiscal year based on current employee counts are estimated in the table below:

Estimated Incremental and Ongoing Cost Increases of SEIU Local 620 Tentative Agreement			
Tentative Agreement	FY 2013-14	FY 2014-15	FY 2015-16
2% Prospective Salary Increase (anticipated effective date 2-17-14)	1,149,000	3,317,000	3,317,000
1 % Effective PP 15-2014 (FY 2014-15)	-	1,692,000	1,692,000
1 % Effective PP 15-2015 (FY 2015-16)	-	-	1,709,000
Raise Public Defenders’ Benefit Allowance from \$191.54 to \$236.51 / PP	18,000	53,000	53,000
Restore Step Increases in FY 2013-14 (Effective October 2013)	802,000	3,018,000	3,018,000
Restore Step Increases in FY 2014-15	-	738,000	2,776,000
Restore Step Increases in FY 2015-16	-	-	489,000
Boot Allowance Increase to \$200 (Unknown but negligible)	-	-	-
Pre-tax Parking Spending Account - No Cost to County	-	-	-
Total SEIU 620 Increase	1,969,000	8,818,000	13,054,000
Estimated Total GF Required, net of Fed & State Reimbursement (30%)	590,700	2,645,400	3,916,200

The cost of the contract will be paid for by various funds, as well as federal and state reimbursements, with the General Fund portion estimated at 30% of the total. For the FY 2013-14 costs, funds will be appropriated in Q4, as necessary and will utilize the “FY 2012-13, FY 2013-14 Operating Plans” fund balance account (Concession Savings).

In addition as result of “Me Too” agreements with the Service Employees International Union, Local 721 (Local 721) and the Engineers and Technicians Association (ETA), an additional 1% salary increase will be required for these bargaining groups, effective June 23, 2014. The impact in FY 2014-15 of the additional 1% will cost approximately \$355,000 in total for Local 721 (\$53,000 from General Funds) and \$138,000 for ETA (\$55,000 from General Funds).

cc: Assistant CEOs
Department Heads

Attachment A: Summary of Changes to Local 620 MOU

Attachment B: Successor Local 620 MOU (changes tracked)

Attachment C: Successor Local 620 MOU (untracked/final)

Attachment D: Commuter Benefits Plan Amendment (changes tracked)