

**SUBMITTAL TO THE FLOOD CONTROL AND
WATER CONSERVATION DISTRICT BOARD
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

314 B



FROM: General Manager-Chief Engineer

SUBMITTAL DATE:
December 9, 2003

SUBJECT: Recommendation to Extend the Memorandum of Understanding with
Laborers International Union of North America (LIUNA)

RECOMMENDED MOTION:

The Board of Supervisors approve the 2000 – 2006 Memorandum of Understanding between the Laborers' International Union of North America (LIUNA) Local 777 and the County of Riverside.

BACKGROUND:

Discussions have been completed that were held as a result of the limited re-opener with LIUNA on the subject of health benefits. The medical re-opener was a previously negotiated provision of the 2000-2004 Memorandum of Understanding (MOU) Article I, and an agreement was reached pursuant to Section 3500 et. seq. of the Government Code. The Union has advised us that the tentative agreement (Attachment A) has been ratified by ballot of the represented members.

*Handled by Hawkins
Departmental Appearance*

Continued to Page 2

DW:bjp

WARREN D. WILLIAMS
General Manager-Chief Engineer

FINANCIAL DATA	Current F.Y. District Cost:	\$32,709.60	In Current Year Budget:	Yes
	Current F.Y. County Cost:	\$0	Budget Adjustment:	No
	Annual Net District Cost:	\$0	For Fiscal Year:	2003-2004

SOURCE OF FUNDS:	15100 947200 515040	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Flood Control General Administration Fund	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

- Dept't Recomm.: Consent Policy
- Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: | **District:** All | **Agenda Number:**

**ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD**

11.2

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Accordingly, this action would extend the current labor agreement by 18 months, with the new term of the contract ending June 30, 2006. Employees who elect Medical coverage would benefit from three annual increases in flexible benefit credits, at a time when the cost of health care is rising dramatically. The agreement reflects the following flexible benefit changes and resulting monthly County contributions:

Effective Date	Flex Benefit Prior to Change	Ees Electing Medical Plan Flex Ben (Incr)	Ees Waiving Medical Cov. Flex Ben(Incr)
PP25-02 (12/11/02)	\$395.40	\$395.40 (N/A)	\$395.40 (N/A)
PP25-03 (12/10/03)	\$425.40	\$465.00 (\$39.60)	\$425.40 (0)
PP25-04 (12/08/04)	\$425.40	\$512.00 (\$47.00)	\$425.40 (0)
PP25-05 (12/07/05)	\$425.40	\$568.00 (\$56.00)	\$425.40 (0)

Additionally, employees whose last hire date is on or after November 13, 2003 are required to select a medical plan, and they will not have the option to waive coverage. The Flexible Benefit amount for employees hired before November 13, 2003, who waive medical coverage will be capped at \$425.40 through 2006.

In addition, the agreement reached with LIUNA provides that the previously negotiated cost of living increase scheduled for March 18, 2004, will not be offset by 6 cents per hour for a pension contribution, as originally bargained. The cost of living increase will be a straight 4%. On July 1, 2004, the County will contribute \$0.01 per hour, for all regular hours compensated, to be allocated to the LIUNA Health & Safety Fund.

Finally, in accordance with the negotiated contract provision, beginning March 1, 2004, employees represented by LIUNA will participate in the County's Post-Employment Special Pay/VEBA Plan, whereby leave balances of qualifying employees who separate from County service are credited to special pre-tax accounts.

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Details of the proposed agreement with LIUNA are in Attachment A, and are incorporated into the Memorandum of Understanding.

At a time when the cost of health care is rising dramatically, granting increases in medical benefits to provide employees with the ability to pay for medical coverage, in lieu of salary increases, and extending the current labor agreement for an additional eighteen months is a prudent and cost effective course of action. We recommend approval. Costs for the contract extension will be borne by operating Departments.