

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

930




FROM: Human Resources Department

SUBMITTAL DATE:
March 1, 2012

SUBJECT: Approval of the Tentative Agreement with Service Employees International Union (SEIU), Local 721.

RECOMMENDED MOTION: That the Board of Supervisors approve the 2012-2016 Tentative Agreement between the Service Employees International Union (SEIU), Local 721 and the County of Riverside (Attachment A).

BACKGROUND: SEIU, which represents approximately 5,600 employees, and Human Resources Department representatives have been meeting to discuss the potential for a new agreement following the imposition of Terms and Conditions of employment for these bargaining units in November of 2011. Discussions started in late January, and a Tentative Agreement for a new fifty-seven (57) month Memorandum of Understanding, covering March 1, 2012, through December 1, 2016, was reached on February 9, 2012.



 Barbara A. Olivier
 Asst. County Executive Officer/Human Resources Dir.

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2011/2012

SOURCE OF FUNDS: Departmental Budgets	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: 
 Elizabeth J. Olson

County Executive Office Signature

- Consent
- Policy
- Consent
- Policy

Dept Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: | **District:** All | **Agenda Number:** 3.32

BACKGROUND (continued)

The cost of the Agreement does not exceed the parameters given by the Board of Supervisors, and in fiscal year 2012/2013 this agreement will generate \$1,663,725 in savings. The Tentative Agreement was ratified by a vote of the membership on March 1, 2012. The Tentative Agreement which has been agreed upon by both parties, subject to Board approval, contains the following key points:

- A fifty-seven month (57) agreement commencing March 1, 2012, and expiring December 1, 2016.
- Consistent with the imposed terms related to pension reform, a 2nd Tier (2%@60) Pension Formula as well as a three highest year averaging formula for all new employees following the CalPERS contract amendment. In addition, employees will be required to pay their own “member contributions” towards CalPERS. The first such contribution commenced in December of 2011 at 3%; the second adjustment will commence the first pay period in July 2012, at an additional 3% (for a total of 6%); and, finally the full member contribution will be paid by employees commencing the first pay period in July 2013, at an additional 2% (for a total of 8%).
- Employees currently paying their own member contribution to CalPERS will continue to pay their member contributions.
- All future employees will be required to pay their own CalPERS member contributions.
- In accordance with the imposed terms and conditions of employment, step (merit) increases will remain frozen until July 1, 2012, at which time they will resume in one (1) step increments. Beginning July 1, 2014, and continuing thereafter, step increases will resume in two-step increments on employee anniversary dates.
- The one additional step (2.71%) added to the top of all SEIU ranges through the imposition in July 2012 will remain and a second additional top step (2.71%) will be added in July 2014.
- An advanced grade recognition payment of \$1,000 twice during the term of the agreement for employees with five or more years of service and who are at the top of the salary range.
- Flexible benefit credits shall be increased by a percent equal to the percent increase in the Kaiser family medical plan rates each November, up to a maximum of \$823 per month. In addition, if the management group receives any additional flexible benefit credits (beyond the increases negotiated by SEIU), the value of those credits shall be given to SEIU represented employees on the same date and in the same increment.
- SEIU represented employees will receive four (4) cost-of-living adjustments (COLA) of 2% in July of 2013, 2014, and 2015 and a final 2% COLA in January of 2016.
- Effective January 1, 2013, all SEIU represented employees, except those in the Supervisory Unit, shall receive the Class 2 Short Term Disability (STD) benefit.
- A “Fairness Agreement” providing any across-the-board wage or benefit increases that LIUNA may receive during the term of the agreement to SEIU represented employees, beyond the terms contained in the LIUNA Tentative Agreement dated January 31, 2012.

BACKGROUND (continued)

- An agreement to meet and confer on the issues of parity and retiree medical benefits on or before July 2014, with a specific caveat that these discussions will not trigger the provisions of Assembly Bill 646.
- Both parties agreed to dismiss their pending Unfair Labor Practice charges related to the negotiations that preceded this agreement.

The parties have agreed to cooperate in a non-substantive clean up of the Memorandum of Understanding pertaining to language, spelling, grammar, and formatting following the approval/ratification of the Tentative Agreement. We will return to the Board with amendments to the Memorandum of Understanding that result from this cooperative effort.

We recommend the Board approve the attached Tentative Agreement.

February 9, 2012

SEIU 721 Comprehensive Settlement Agreement with the County of Riverside1. **TERM** – 5 year contract (03/01/2012 - 12/01/2016)2. **Pension Reform**a. **Retirement Formulas**

- i. **Tier I** - All employees hired **prior** to the County's contract amendment with CalPERS, that occurs on or after 12/01/2011, shall retain the 3%@60 formula.
- ii. **Tier II** – All employees hired **after** the County's contract amendment with CalPERS, that occurs on or after 12/01/2011, shall have a retirement formula based on 2%@60.

b. **Pension Contributions**

- i. Any employee hired on or after ~~12/01/2011~~ ^{11/20/2011}, or has not yet become vested by completing five years of service by ~~12/01/2011~~, will be required to pay their EPMC for the duration of their employment. WT BSM
- ii. Any employee already vested after completing five years of service prior to 12/01/2011, will begin a phased-in EPMC pick-up (not to exceed 8%) as follows:
 - a. December 2011 - 3% (total of 3%) in PP#26-2011
 - b. July 2012 - 3% (total of 5%) in PP#16-2012
 - c. July 2013 - 2% (total of 8%) in PP#04-2013

c. **Retirement Calculations**

- i. Employees hired **prior** to the CalPERS amendment in 2(a)(i) above shall maintain a retirement calculation based upon the single highest year with no max cap.
- ii. Employees hired **after** the CalPERS amendment in 2(a)(ii) shall receive a retirement calculation based upon the three (3) highest year average. ^{with a 90% max cap} (as allowed by CalPERS). WT BSM

3. **Added Salary Steps & Advanced Grade Recognition in lieu of pension contributions:**

Added Salary Steps – Incumbents at the top step of their salary ranges for at least one (1) year on the effective dates shall immediately receive the increases.

- a. One (1) salary step will be added to the top of all salary ranges July 2012 (PP#15-2012).
- b. One (1) salary step will be added to the top of all salary ranges July 2014 (PP#15-2014).

Advanced Grade Recognition – Employees with five (5) years or more of service as of ~~03/01/2012~~ ^{continuous BSM} and at the top step of their respective salary range shall receive the following payments: WT BSM

- a. March 2012 (PP#07-2012) - Single payment of one thousand dollars (\$1,000.00).
- b. January 2013 (PP#03-2013) - Single payment of one thousand dollars (\$1,000.00).

4. **Benefits** –

- a. **FLEX Benefit Credits** – Effective PP#26 (November) of each year, employees participating in a County offered health plan shall receive an increase in their FLEX benefits equal to the percent increases in the Kaiser family medical plan rates, but not to exceed a total FLEX benefit credit of \$823 a month.

In addition, if employees in the Management, Unrepresented & Confidential Resolution receive additional increases in flexible benefit credits, the value of those increases shall be given to SEIU represented employees on the same date and in the same increment, not to exceed the total monthly flexible benefit credit that was added. (Info for Re: Mgt/Confidential/Unrep)

- b. **Short-Term Disability** – Effective 01/01/2013, all SEIU represented employees, excluding the Supervisory Unit, shall receive Class 2 STD benefits (60% of pay up to \$461.64 weekly)

- 5. **Fairness Agreement** – County's proposal in TCE, except agreement would only apply to LIUNA represented employees, with the exception of FLEX benefit credits listed in 4(a) above.

- 6. **Resume Step/Merit Increases** – Effective 07/01/2012, all SEIU represented employees shall have their step/merit increases restored in one-step increments on their anniversary dates.

Effective 07/01/2014 and continuing thereafter, SEIU represented employees shall receive their step/merit increases in two-step increments on their anniversary dates.

- 7. **Add Two Lower Salary Steps** – Add two (2) lower salary steps to all SEIU classifications.

- 8. **General Wage Increases** – All employees shall receive COLA's as follows:

- a. 2.0% effective PP#15-2013 (July 2013).
- b. 2.0% effective PP#15-2014 (July 2014).
- c. 2.0% effective PP#15-2015 (July 2015).
- d. 2.0% effective PP#02-2016 (January 2016).

- 9. **Salary Compaction** – Union's proposal as attached. The parties agree to meet on a yearly basis to discuss and identify any SEIU represented classification impacted by the LIUNA salary increases.

- 10. **Parity & Retiree Medical Benefits** – The parties agree to meet & confer on the issues in July 2014. The Union agrees that AB 646 shall not apply to these discussions.

- 11. **Registered Nurses Bargaining Unit Issues** – RN Side Letter Agreement signed on 12/16/2011 shall be included in the MOU. Employees in RN classifications specifically affected by this side letter agreement shall not receive any additional increases in 2012 outside of the parameters of the side letter agreement other than the FLEX credit increase and the Advanced Grade Recognition. All other increases throughout the term of this MOU shall apply.

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Amend Article 28 – Special Unit Provisions, Section 1(A)(4) RN License to Practice/Disciplinary Action
as follows:

If the employee is unable to meet the license requirements of Article 28, Section 1(A), he/she shall not be allowed to continue working and shall immediately be deemed to have applied for and obtained an unpaid leave of absence for up to thirty (30) calendar days, during which time the employee shall take all reasonable steps to have his/her license reinstated. If upon expiration of the thirty (30) days the employee has failed to have his/her license reinstated he/she will be deemed to have applied for and obtained an additional leave of absence of up to fifteen (15) calendar days, during which the County may take action to separate employment pursuant to Article 11.

12. **Inclusion of Side Letters & Tentative Agreements** – All such letters & agreements obtained during the 2010-2011 MOU shall be included. All TA's and additional benefits/language provided in the TCE shall be honored by both parties and included in the new MOU. All other language shall remain unchanged, except for mutually agreed upon corrections to formatting. The parties further agree that the provisions of the anti-strike clause shall be reinstated under Article 14.

Amend TA on Article 17 as follows:

DELETE: *No employee shall be subject to discipline for violating any dress code that is not included in this article.* In exchange for this deletion, the County agrees to provide the Union with copies of all existing dress codes ~~in effect as of 12/01/2011.~~ (WT) (BT)

ADD: *Employees in a department that requires a specific uniform standard, such as the Sheriff or Fire Departments, shall not be allowed to wear union-affiliated ID badge holders, lanyards, wristbands, lapel pins, and/or buttons (not to exceed two (2) inches in diameter) on their uniforms.* In exchange, the County shall provide additional premium pay to employees in the Transportation Department (see attached).

13. **PERB Cases** – Both parties agree to dismiss their ULP's solely related to these negotiations. The parties will compile a formal list of such charges/complaints with ¹⁴seven (7) days after the ratification/adoption of this tentative agreement and shall jointly withdraw those charges no later than ~~seven (7)~~ ^{seven (7)} days after the date the list has been finalized by the parties. (BT) (WT)

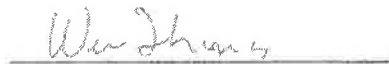
This tentative agreement is subject to the ratification of the entire MOU by the SEIU members and the adoption of the Board of Supervisors.

Signed this 9th day of February 2012.



Brian McArthur

County of Riverside



Wendy Thomas

SEIU Local 721

ARTICLE 30
PARITY STUDIES

Section 2. Salary Compaction

During the term of this agreement, the maximum base salary of a supervisory classification shall be maintained at a minimum rate of five and one-half percent (5.5%) above that received by their highest paid subordinate classification. Salary adjustments following the guidelines set forth in Section 2(A) and (B) shall be made to any supervisory classification that is determined to be compacted during the term of this agreement with the exception that such adjustments will become effective the first day of the pay period following within sixty (60) days of the date the SEIU Compaction Evaluation Form was submitted to the County. **[Language moved from subsection C of this section & adjusted according to Side Letter obtained on 12/01/2010]**

At no time shall reductions in the hourly rates of pay or salary ranges in any subordinate classification result in any reductions in the hourly rates of pay or salary ranges of any employee in the Supervisory Unit. **[Language moved from subsection B of this section]**

A. Salary Adjustments due to Compaction. ~~Effective July 1, 2010 the salary ranges for all s~~ Supervisory classifications requiring salary adjustments due to compaction will be adjusted as follows:

- a. Classifications with 0.01% - 2.70% compaction will have one (1) additional step added to the top of their salary ranges.
- b. Classifications with 2.71% - 5.42% compaction will have two (2) additional steps added to the top of their salary ranges.
- c. Classifications with greater than 5.42% compaction will have the overall percentage of compaction factored into a new salary range and have two (2) additional steps added to the top of their salary ranges.

B. Effective Date of Salary Adjustments Resolution of Existing Compaction Issues. Incumbents of any supervisory classification that are at the maximum step of the salary range prior to any adjustments due to compaction shall receive one (1) step increase effective July 1, 2010.

~~Incumbents of any supervisory classification that are at the maximum step of the salary range prior to any adjustments due to compaction, and had two (2) salary steps added to their classifications as part of the resolution shall receive an additional one (1) step increase effective December 30, 2010 the additional step increases added to their classification under salary adjustment (a) or (b) above to immediately return these tenured employees to the top step of the~~

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1 new salary range.

2
3 Incumbents of any supervisory classification that are not at the maximum step of
4 the salary range prior to any adjustments due to compaction, but whose
5 classification requires a new salary range established under the guidelines set
6 forth in (c) above shall be compensated at their current step on the new salary
7 range **until their regularly scheduled step increase date and following the**
8 **provisions for step advances set forth in Section 1 of Article 5.** ~~The effective~~
9 ~~date of such compensation shall be July 1, 2010.~~

10
11 Incumbents of any supervisory classification listed above that are not at the
12 maximum step of the salary range prior to any adjustments due to compaction
13 and whose classification adds new steps to the salary range under the guidelines
14 set forth in (a) or (b) above shall remain at their current step until **their regular**
15 **step increases resume date and following the provisions for step advances**
16 **set forth in Section 1 of Article 5.**

17
18 ~~At no time shall reductions in the hourly rates of pay or salary ranges in any~~
19 ~~subordinate classification result in any reductions in the hourly rates of pay or~~
20 ~~salary ranges of any employee in the Supervisory Unit. [Language moved up in~~
21 **same section of this section]**

22
23 ~~Under the guidelines set forth in Section 2(A) of this article, the following classifications have been identified by both~~
24 ~~parties as requiring immediate resolution of compaction issues: DELETED THE TABLES~~

25
26
27 C. Special Provision for Resolution of Future Compaction Issues:

28
29 ~~During the term of this agreement, the maximum base salary of a supervisory~~
30 ~~classification shall be maintained at a minimum rate of five and one-half percent~~
31 ~~(5.5%) above that received by their highest paid subordinate classification.~~
32 ~~Salary adjustments shall be made to any supervisory classification that is~~
33 ~~compacted during the term of this agreement and such adjustments will become~~
34 ~~effective the first day of the pay period following the action creating the changed~~
35 ~~condition. [Language just moved above within same section of this article]~~
36 ~~This special provision will expire on June 30, 2011.~~

Handwritten initials and date:
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The following language shall be included in the MOU between the parties.

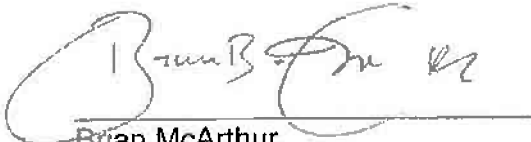
Employees in the following classifications in the Transportation Department who are required to work extra shifts and/or hours beyond their regular shift pattern due to an emergency situation as declared by emergency personnel (911 dispatchers) or their supervisors, shall be paid at one and one half their regular rate of pay for such time worked, whether or not such work would qualify as overtime pursuant to the provisions of the FLSA.

District Road Maintenance Supervisor
Assistant District Road Maintenance Supervisor

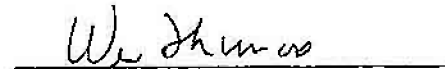
Signed this 9th day of February 2012, at Riverside, California.

For Riverside County

For SEIU, Local 721



Brian McArthur
Employee Relations Director



Wendy Thomas
SEIU Representative