



*The County of El Dorado*  
*Human Resources Department/Risk*  
*Allyn Bulzomi, Human Resources Director*

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August 18, 2009

Board of Supervisors  
330 Fair Lane  
Placerville, CA 95667

Dear Board Members,

On Thursday, July 23, 2009, the representatives of the Operating Engineers Local No 3 Corrections bargaining unit and the representatives of the County of El Dorado, Department of Human Resources, met to go over the Last, Best, and Final offer in regard to the successor Memorandum of Understanding (MOU) between the County of El Dorado and the Operating Engineers, Local No 3 representing employees in the Corrections bargaining unit. The County representatives and the Business Representative for Operating Engineers Local No 3 were able to reach a Tentative Agreement (TA) as part of the collective bargaining process for the successor MOU. The TA covers wages, hours, and other terms and conditions of employment for employees in the Corrections bargaining unit for the period of January 1, 2009 through June 30, 2010. The negotiated TA incorporates the changes to the successor MOU and is subject to a ratification vote by the members of the Corrections bargaining unit. Once the ratification has been secured by the members, the MOU is brought before the Board for final adoption by the Board of Supervisors. This negotiated successor Memorandum of Understanding is before the Board on the August 25, 2009 Agenda.

Recommendation

Staff recommends the Board approve, adopt, and authorize the Chair to sign the attached Resolution and the Memorandum of Understanding (MOU) between the County of El Dorado and the Corrections bargaining unit represented by the Operating Engineers, Local No 3 containing the significant changes approved in closed session. Please see the attached documents.

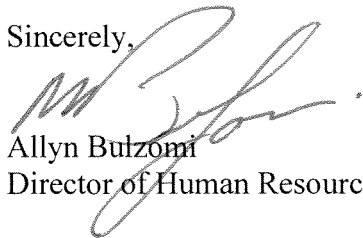
Reason for Recommendation:

The parties have negotiated in good faith since October 2008 in an attempt to reach a mutually agreed upon successor MOU during these tough economic times. The parties recognize the economic hardship facing the County. We were still able to reach a mutual agreement during this time.

The significant changes to this successor Operating Engineers Local No 3 Corrections (CR) MOU are identified below (please note all new language changes to the MOU are underlined and highlighted in the MOU):

- Elimination of retiree health insurance for all newly hired employees found in Article 9, Section 9 on page 26 of the MOU. This elimination of retiree health insurance does not include those individuals who are the subject of a Reduction In Force (RIF) under Article 12 (Status on Restoration on page 39), commonly referred to as layoff.
- The definition of overtime found in Article 7 Days and Hours of Work, Premiums & Bonuses, Section 2 Overtime, sub-section B Definition (page 11 and 12 of the MOU) wherein this bargaining unit will only be paid overtime for hours worked over 40 hours in a work week, commonly referred to as the federal law for overtime known as the Fair Labor Standards Act or F.L.S.A. The change excludes the use of holidays, administrative leave, vacation, compensatory time off and sick leave as “Time Worked.”
- Article 7 on page 12, Section 2 Overtime under subsection D Accumulation and Use of Compensatory Time Off, wherein the parties agreed to standardize the maximum accumulation of overtime hours from 120 hours to 160 hours. This will save the County some money. Rather than paying overtime in cash every time someone works over 40 hours in a week, these extra hours are now saved in a “bank” to be used as time off (CTO) at a later time or can be paid off at the end of the year in pay period 25. [29CFR Sec. 553.28(e); and 29 CFR Sec 207(o)(2)(A)(i)]
- Article 18 titled Economic Hardship on page 48 wherein the County may reopen negotiations with this bargaining under certain conditions.
- The medical health plan change was approved by the Board in closed session. The contribution levels are for medical health care for current employees for the 2009/2010 medical health plan year. There are three (3) different contribution levels for three (3) different health plans, one is the County health plan and two are for the OE3 Health Plan. Please see Article 9, Section 1, beginning on page 20 of this successor Corrections MOU.

Sincerely,



Allyn Bulzoni  
Director of Human Resources

Cc: Gayle Erbe-Hamlin, CAO  
Lou Green, County Counsel  
Deborah Kal, Senior Personnel Analyst

Attachments:

Attachment 1: Board Resolution  
Attachment 2: Successor MOU