



Legislation Text

File #: 20-0761, **Version:** 1

Human Resources Department recommending the Board:

- 1) Adopt and authorize the Chair to sign Resolution **108-2020** approving the negotiated Memorandum of Understanding (MOU) between the County of El Dorado and the Operating Engineers Local No. 3 representing employees in the Trades and Crafts Bargaining Unit;
- 2) Authorize the Chair to sign said MOU, noting the MOU will be effective the first full pay period following Union ratification and Board of Supervisors adoption of the MOU; and
- 3) Direct the Human Resources Department and the Auditor-Controller's Office to administer and implement the MOU provisions.

FUNDING: General Fund, Road Fund.

DISCUSSION / BACKGROUND

The term of the current Memorandum of Understanding (MOU) between the County of El Dorado (County) and Operating Engineers Local No. 3 (OE3) representing employees in the Trades and Crafts (TC) bargaining unit (Unit), ended on December 31, 2018.

Pursuant to the Meyers-Milias-Brown Act (Government Code sections 3500 et seq.), representatives of OE3 and the County have met and conferred in good faith regarding wages, hours, and other terms and conditions of employment of employees in the TC bargaining unit. The County and OE3 jointly prepared a successor MOU, for the term of January 1, 2019 through June 30, 2021, reflecting agreed revisions to certain terms and conditions. Subject to the provisions in the MOU, those revised terms and conditions with a County cost impact are summarized below, along with the estimated annual cost.

1. Effective the first full pay period following MOU adoption, the County will increase base wages for all employees in the Unit to ensure that the benchmark job classification and internally tied non-benchmark classifications within the Unit are approximately 8% behind the median market average utilized by the County, provided that each classification in the Unit shall receive at least 1% - estimated annual cost of \$638,784
2. TC Unit members shall receive two (2) one-time \$700 lump sum payments - estimated cost \$257,600
3. Addition of new 5% differential for qualified employees in the Public Safety Dispatcher II classification who are assigned by the appointing authority or his/her designee as a Communication Training Officer - estimated annual cost of \$38,611

Other Terms and Conditions which are recommended for update, and which have little or unknown direct cost impact include, but are not limited to:

- Modification of existing Toxic Chemical Differential to compensate any Unit employee qualified and assigned by their department to handle and apply pesticides/herbicides, removing the requirement that such employees possess a Qualified Applicators Certificate, and modifying duties eligible for the differential. Proposed changes cannot be costed as there is no current payroll data for non QAC or QAL holders; however, in FY 2016-17, DOT last received 5% per hour assigned as proposed at a total annual cost of \$1,405.
- Modification of existing Longevity Pay language, which would provide for cost savings beginning in Fiscal Year 2020-21:
 - 1) Eliminate longevity for employees who separate and who are subsequently re-employed;
 - 2) Eliminate longevity for all new employees hired on or after date MOU adopted by the Board;
 - 3) Provide the first longevity pay tier for current employees who do not yet receive longevity pay, once they complete the required period of service, but discontinue eligibility for any further longevity advancement thereafter; and
 - 4) Continue longevity pay for current employees who currently receive longevity pay, but after the first day of the pay period including June 30, 2020, discontinue eligibility for advancement into further longevity tiers.
- Modification of existing Uniform Allowance language to pay allowance over 24 pay periods per year instead of 26; minimal cost savings for years that have 27 pay periods as the extra \$11.53 allowance payment will no longer be made in the 27th period.
- Modification of existing Boot Allowance language to pay allowance over 24 pay periods per year instead one annual payment. Removes requirement that Custodial classifications have civil service status before boot allowance eligibility, for consistency with all boot allowance eligible classifications; minimal cost increase of up to \$300 per year for each probationary Custodial employee.
- Modification of existing Tahoe Differential language for County-wide consistency.
- Modification of existing language pertaining to overtime compensation:
 - 1) Modification of existing references to “overtime rate” in order to clarify and distinguish between FLSA required overtime and non-FLSA required overtime (“contract overtime”) compensation rates and CTO accrual eligibility.
 - 2) Addition of language to distinguish between compensation for overtime required by the FLSA and overtime not required by the FLSA, also known as contract overtime. The term “premium rate” is added to further differentiate contract overtime provisions.
- Removal of agency shop language; default to requirements under the law.
- Modification of existing tool allowance language to reflect current titles of eligible classifications.

- Modification of Building Inspector Certification and Mechanics Certification language to clarify that no employee shall receive compensation for any individual certificate that they must possess as a requirement of the employee's current classification held, as identified on the County's job classification specification. Unknown cost savings resulting from cancellation of payment for certifications no longer eligible for compensation.
- Modification of existing OE3 sponsored health plan insurance premium deduction language to reverse previous double deductions, as requested by the OE3 Health Trust.
- Modification of Holiday language to:
 - 1) Specify that for employees in Public Safety Dispatcher classifications only, New Year's Day holiday shall be observed from 7:00 pm, December 31 - 6:59 pm, January 1 - estimated annual cost of \$177
 - 2) Modify the part-time employee holiday compensation proration calculation for Fenix implementation.
- Modification of existing vacation leave utilization language for County-wide consistency.
- Modification of existing probationary period language so that the probationary period upon promotion in the same classification series will be the same as the initial probationary period for the classification.

Additional "house-keeping" language changes are included in the recommended MOU.

The MOU, which cancels all previous agreements and shall supersede any policies, practices or ordinance provisions, with which it may be in conflict, shall become of full force and effect upon approval and adoption by the Board of Supervisors and shall remain in effect through June 30, 2021. Nothing contained in the MOU shall be applied on a retroactive basis unless specifically stated.

ALTERNATIVES

The County negotiated this MOU in good faith with OE3 under authority and direction of the Board, thus there are no recommended alternatives.

PRIOR BOARD ACTION

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Operating Engineers Local No. 3

CAO RECOMMENDATION

Approve as recommended. This MOU was negotiated prior to the COVID-19 emergency. While the estimated fiscal impact increases costs by approximately \$935,000 at a time when revenues are decreasing, the Board should keep in mind that if approved employees represented by this MOU will

still be paid 8% below the market median based on data from 2018. The CAO and the Department Directors who represent these employees, all support approval of this recommendation as it is very difficult to recruit and retain employees within these job classifications which then has a negative impact on services provided to our residents. If this MOU is not approved, classifications in this bargaining unit will continue to be paid up to 31% below the market median.

FINANCIAL IMPACT

The combined annual fiscal impact of the new MOU changes is estimated at \$935,172.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) The Clerk will obtain the signature of the Chair on the Resolution; and,
- 2) Human Resources will provide the Clerk with three (3) original MOUs for the Chair to sign upon ratification by OE3; and
- 3) The Clerk will return one (1) copy of the executed resolution and two (2) original MOUs to Misty Garcia in Human Resources once fully executed by the Chair, and retain one (1) fully executed MOU for the Board.

STRATEGIC PLAN COMPONENT

Good Governance

CONTACT

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