



September 22, 2017

**TO:** LOCSO Board of Directors

**FROM:** Roy Hanley, District Legal Counsel

**SUBJECT: Agenda Item 11J – 10/12/2017 Board Meeting**

Approve the Tentative Agreement between Los Osos Community Services District and San Luis Obispo County Employees Association for the Miscellaneous Employees Bargaining Unit

**President**

Jon-Erik G. Storm

**Vice President**

Vicki L. Milledge

**Directors**

Charles L. Cesena  
Marshall E. Ochylski  
Louis G. Tornatzky

**General Manager**

Renee Osborne

**District Accountant**

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**DESCRIPTION**

Approve the attached Tentative Agreement between the District and SLOCEA for the miscellaneous Employees Bargaining Unit.

**STAFF RECOMMENDATION**

The Board's negotiating team of Roy Hanley and Renee Osborne, following direction in closed session pursuant to the Brown Act entered into the Tentative Agreement, attached. The Bargaining Unit has, in the meantime, ratified the agreement. The Tentative Agreement will be official then, if it is likewise approved by the Board of Directors. If approved, changes to the actual MOU will follow.

This item will be approved along with the Consent Calendar unless it is pulled by a Director for separate consideration. If so, Staff recommends that the Board adopt the following motion:

***Motion: I move that the Board approve the Tentative Agreement between the District and SLOCEA for the Miscellaneous Employees Bargaining Unit.***

**DISCUSSION**

The revised terms of the Memorandum of Understanding are as follows:

1. Section 2 - Term: There is agreement the successor MOU will be for one year July 1, 2017 – June 30, 2018; with the option of a one-year (1) automatic extension at the election of both parties.
2. Section 7 - Wages: 2.1% COLA effective the pay period that includes July 1, 2017.
3. Section 8 - CalPERS Pickup:  
Section 8.1: Effective July 1, 2017 the Legacy employee's share of the pickup shall be increased and the District's share reduced .84%. As an offset, Legacy employees shall receive a wage increase of .84% in addition to the COLA specified in #2 above. This provision does not apply to Non-Legacy employees hired after the Public Employee Pension Reform Act (PEPRA) became effective on January 1, 2013.

Section 8.2.1: The Minimum Employer Contribution amount is prescribed by Government Code Section 22892 of the Public Employees' Medical and Hospital Care Act (PEMHCA). Accordingly, the District's current minimum obligation under PEMHCA is 128.00 per active and retired employees.

4. Uniforms – Section 21:

- a. Boots, steel toes safety boots, maximum reimbursement by the District of \$175 per year
- d. Safety Coveralls, cotton (2)
- e. Outerwear (jacket, sweatshirt, ¼ Zip) (2)

Office staff shall receive three (3) District logo shirts annually, the design for which shall be determined by the General Manager.

5. Retroactivity: The compensation increase described in #2 and #3 shall be retroactive to July 1, 2017.

Staff believes that this Tentative Agreement is fair to both parties and provides a stable platform for labor relations with the positions covered in this bargaining unit. The fiscal impact of Item 2 is less than \$15,000.00 and although there is a small fiscal impact from Item 3 it is consistent with the past dealings with the bargaining unit in having the employees gradually pick up a larger share of the minimum employers contribution to CalPERS. This is a standard form for improving the fiscal stability of public agencies without unfairly burdening current as opposed to future employees of the agency.

Attachment – Tentative Agreement

TENTATIVE AGREEMENT  
 Los Osos Community Services District &  
 San Luis Obispo County Employees Association  
 2017 Negotiations

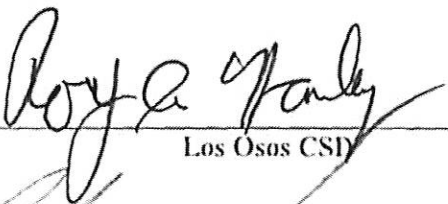
Submission date: September 14, 2017 Time: \_\_\_\_\_


Subject to the ratification by the Bargaining Unit membership, and approval by the District Board of Directors, the parties hereto agree to include in their successor *Memorandum of Understanding* the following modifications / new provisions:

MOU Section	Sub-Section	Language / Proposal
2 Term	NA	The District and the Association agree that the term of this Agreement commences on <u>July 1, 2017</u> and expires on June 30 <u>2018</u> , with the option of a one-year (1) automatic extension at the election of <u>both parties</u>
7 Wages	7.1	The parties agree to the following cost of living adjustments (COLA) which will revise the rates currently in effect as shown in Exhibit A effective as of the date of this agreement which is July 1, 2017  a) <u>2.10%</u> COLA effective the pay period that includes July 1, 2017
8. CalPERS Pickup	8.1	Board's Resolution No. 2008-26 adopted on November 6, 2008 affirmed its contribution rate to pick up 5.84% of the employee's CalPERS designated as member contribution. The employee is then responsible for 1.16% of the member contribution rate of 7%. Effective July 1, 2015 the contribution rate of pick up by the employee is increased to 4.16% and reduced for the employer to 2.84% of the total member contribution rate of 7%. Effective July 1, 2016 the contribution rate of pick up by the employee is increased to 6.16% and reduced for the employer to 0.84% of the total member contribution rate of 7%. <u>Effective July 1, 2017 the employee's share of the pickup shall be increased and the District's share reduced .84%. As an offset employees shall receive a wage increase of .84% in addition to the COLAs specified in 7.1 above.</u> This provision does not apply to employees who have never worked for an agency that contracted with Cal PERS for retirement. These employees from hereon will be referred to as Tier 2 employees or Non-Legacy employees. The District cannot legally "pick-up" any portion of the Member's contribution as provided by the Public Employee Pension Reform Act (PEPRA) that became effective on January 1, 2013.

MOU Section	Sub-Section	Language / Proposal
9 CAFETERIA	9.2.1	<p>The District acknowledges that under its contract with CALPERS it will provide medical health plan under the CALPERS umbrella; it is liable for a mandated portion of the cost of the program which currently is \$122.00 per active or retired employees</p> <p><b><u>The Minimum Employer Contribution amount is prescribed by Government Code Section 22892 of the Public Employees' Medical and Hospital Care Act (PEMHCA). Accordingly, the District's current minimum obligation under PEMHCA is 128.00 per active and retired employees</u></b></p>
	9.4	<p>Recognizing the <del>_____</del> <b>Withdrawn 09/14/17</b> for families and to simplify payroll <del>_____</del> to contribute the following month, <del>_____</del> effective July 1, 2014, it is to be noted that these amounts include any District's mandated portion of the program costs that are billed by Cal PERS as described in Section 9.2.1</p> <ul style="list-style-type: none"> <li>a) Employee plus two (2) or more dependents shall receive one thousand <u>fifty</u> dollars (<del>\$1,000.00</del> <b>\$1,050.00</b>).</li> <li>b) Employee plus one (1) dependent shall receive eight hundred and twenty <u>seventy-five</u> dollars (<del>\$825.00</del> <b>\$875.00</b>).</li> <li>c) Employee only shall receive seven <u>eight</u> hundred and fifty dollars (<del>\$750.00</del> <b>\$800.00</b>).</li> <li>d) Employee who opts out of CalPERS medical shall receive six hundred and twenty <u>seventy-five</u> dollars (<del>\$625.00</del> <b>\$675.00</b>).</li> </ul>
19. STANDBY DUTY	19.2.1	<p>19.2 Standby <del>_____</del> <b>Withdrawn 09/14/17</b> and shall be compensated</p> <p>Effective July 1, 2009 <del>2009</del> <b>2017</b>, at the rate of two <u>three</u> dollars and seventy-five cents (<del>\$2.75</del> <b>\$3.75</b>) per hour.</p>
21 UNIFORMS	21.3	<p>For employees in the Water Resource Crew Leader, Water Resource Operator I, II, III, IV and Trainee classifications, the District will issue the following or provide employees with reimbursement for</p> <ul style="list-style-type: none"> <li>a. Boots, steel toed safety boots, maximum reimbursement by the District of \$175 per pair <u>year</u>.</li> <li>b. Shirts (6), employee choice, short sleeve, long sleeve or combination of short and long sleeve;</li> <li>c. Trousers (3).</li> <li>d. Safety Coveralls, cotton (7 <u>2</u>);</li> <li>e. Jacket (chill chaser) (1) <del>_____</del> <b>Outerwear (jacket, sweatshirt, ¼ zip) (2)</b></li> </ul>

MOU Section	Sub-Section	Language / Proposal
21 UNIFORMS	New Section	<u>Office staff shall receive three District logo shirts annually, the design for which shall be determined by the General Manager.</u>
OTHER PROVISIONS	Misc	All other provisions of the current MOU shall remain unaltered and shall carry over to the successor agreement.

  
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Los Osos CSI

  
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San Luis Obispo County Employees' Association

9-22-17  
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Date

9 / 22 / 2017  
\_\_\_\_\_  
Date