

BOARD MEETING DATE: December 5, 2014

AGENDA NO. 39

PROPOSAL: Approve Three-Year Labor Agreement with Teamsters Local 911 and Approve Comparable Terms for Non-Represented Employees

SYNOPSIS: SCAQMD management and representatives of Teamsters Local 911, representing the Technical & Enforcement and Office Clerical & Maintenance bargaining units, have continued the bargaining process. Teamsters Local 911 have proposed terms of agreement. This action is to present the proposed agreement to the Board for consideration and approval. This action is also to approve comparable terms for non-represented employees for the Board's consideration and approval.

COMMITTEE: No Committee Review

RECOMMENDED ACTIONS:

1. Authorize the Executive Officer to sign the ratified three-year agreement for a successor 2015-2017 Teamsters MOU, representing the Technical & Enforcement and Office Clerical & Maintenance bargaining units. Changes to the 2015-2017 Teamsters MOU are shown in Attachment A. All other provisions remain unchanged from the previous 2013-14 MOU.
2. Approve the amendments to the *Salary Resolution* and *Administrative Code* to effect comparable terms for non-represented employees. Changes to the *Salary Resolution* and *Administrative Code* are shown in Attachments B and C.
3. Adopt the Resolution in Attachment D, amending SCAQMD's *Salary Resolution* and *Administrative Code*.

Barry R. Wallerstein, D.Env.
Executive Officer

Background

On June 7, 2013, the Board approved a two-year MOU with Teamsters Local 911, representing the Technical & Enforcement and Office Clerical & Maintenance bargaining units, for the time period of January 1, 2013 to December 31, 2014. The Board also approved amendments to the 2013-14 Teamsters MOU on December 6, 2013, providing for an increased payment for health insurance benefits. Additionally, at its December 6, 2013 meeting, the Board approved changes to the *Salary Resolution* and *Administrative Code*, to provide to non-represented employees a one-time payment of 0.5% of annual base salary, as well as a \$100 per month increased contribution towards health insurance premiums. The last across-the-board salary increase for these employees was in July 2008.

Management has met and conferred with the representatives for Teamsters Local 911. The Teamsters bargaining unit members have approved the proposed terms of an agreement. This action is to present the proposed amendments to the 2013-2014 Teamsters MOU to the Board for its consideration. The proposed Teamsters MOU changes are shown in Attachment A. All other provisions in the MOU remain the same.

Proposal

The proposed changes for a successor Teamsters MOU include a three-year term, from January 1, 2015 to December 31, 2017; annual salary increases effective the pay period encompassing January 1st of each year of the agreement; employee payment of the employee's share of the retirement contribution with offsetting increases to salary; and a reopener of the MOU in October 2015 and 2016 to discuss possible increases in health insurance premiums.

Comparable terms to the Teamsters MOU for non-represented employees are proposed for approval, and these changes to the *Salary Resolution* and *Administrative Code* are reflected in Attachments B and C.

Resource Impacts

There is sufficient funding available for the first six months of the three year agreement in the FY 2014-15 Budget. Funding for the remaining term of the labor agreement will be requested in future fiscal years' budgets.

Attachments

Attachment A – Teamsters MOU Changes

Attachment B – *Salary Resolution* Changes

Attachment C – *Administrative Code* Changes

Attachment D – Resolution

ATTACHMENT A

**SOUTH COAST AIR QUALITY
MANAGEMENT DISTRICT**

**MEMORANDUM
OF
UNDERSTANDING**

**TECHNICAL & ENFORCEMENT
AND
OFFICE CLERICAL & MAINTENANCE
UNITS**

January 1, 2015 – December 31, 2017

ARTICLE 3

SALARIES

Section 1. Salaries during the term of this contract will be those in effect as of ~~July 14, 2008~~ the start of the pay period encompassing January 1st of 2015, 2016, and 2017, as listed in Appendices A and B.

ARTICLE 17

GROUP INSURANCE (Health, Dental, Life and Vision Insurance)

Section 7. No earlier than October 1, 201~~3~~5 ~~and 2016~~, the parties agree to a reopener of Article 17, Section 2 of the MOU for purposes of discussing potential health insurance increases effective on or after January 1, 201~~4~~6 ~~and 2017, respectively~~.

ARTICLE 21

RETIREMENT

Section 1.5

Effective the start of the pay period encompassing July 1, 2015, T&E members will contribute an additional 1.08% towards the employee retirement contribution rate and will receive a 1.08% increase to base salary. Effective the start of the pay period encompassing July 1, 2016, T&E members will contribute an additional 1.08% and will receive a 1.08% increase to base salary. Effective the start of the pay period encompassing July 1, 2017, T&E members will contribute an additional 1.08% and will receive a 1.08% increase to base salary. T&E members who have 30 years or more of retirement service credit with SBCERA, were hired on or after July 1, 2012, and those employees hired on or after the implementation of PEPR are not eligible to receive these increases to base salary and are not required to make the additional contribution described above. At the time a T&E member reaches 30 years of SBCERA service credit, the salary increases to base salary previously received pursuant to this Section 1.5 shall be terminated and the employee's base salary will be adjusted accordingly.

Effective the start of the pay period encompassing July 1, 2015, OCM members will contribute an additional 2.163% towards the employee retirement contribution rate and will receive a 2.163% increase to base salary. Effective the start of the pay period encompassing July 1, 2016, OCM members will contribute an additional 2.163% and will

receive a 2.163% increase to base salary. Effective the start of the pay period encompassing July 1, 2017, OCM members will contribute an additional 2.163 % and will receive a 2.163% increase to base salary. OCM members who have 30 years or more of retirement service credit with SBCERA, were hired on or after July 1, 2012, and those employees hired on or after the implementation of PEPR are not eligible to receive these increases to base salary and are not required to make the additional contribution described above. At the time an OCM member reaches 30 years of SBCERA service credit, the salary increases to base salary previously received pursuant to this Section 1.5 shall be terminated and the employee's base salary will be adjusted accordingly.

ARTICLE 42

RENEGOTIATION

Section 1. The parties shall commence renegotiations under the terms of this Agreement, no later than October 1, 20147, except as provided for in Section 2 of this Article.

ARTICLE 44

TERM OF MOU

Section 1. The term of this MOU shall commence on January 1, 20135, and shall continue for the period through December 31, 20147.

ARTICLE 49

RATIFICATION AND EXECUTION

Section 1. SCAQMD and the Union acknowledge that this MOU shall not be in full force and effect until ratified by the Union and adopted by the SCAQMD Board. Subject to the foregoing, this MOU is hereby executed by the authorized representatives of SCAQMD and the Union and entered into this _____ day of _____, 20134.

APPENDIX A

TECHNICAL & ENFORCEMENT

EFFECTIVE ~~JULY 14, 2008~~ JANUARY 1, 2015

EFFECTIVE JANUARY 1, 2016

EFFECTIVE JANUARY 1, 2017

Upon adoption by the Governing Board of the percentage salary increases, the Executive Officer shall complete Appendix A with the appropriate salary ranges for T&E classifications.

APPENDIX B
OFFICE CLERICAL & MAINTENANCE
EFFECTIVE ~~JULY 14, 2008~~ JANUARY 1, 2015
EFFECTIVE JANUARY 1, 2016
EFFECTIVE JANUARY 1, 2017

Upon adoption by the Governing Board of the percentage salary increases, the Executive Officer shall complete Appendix B with the appropriate salary ranges for OCM classifications.

ATTACHMENT B

**SOUTH COAST AIR QUALITY
MANAGEMENT DISTRICT**

SALARY RESOLUTION

December ~~65~~, 201~~34~~

CHAPTER II

ARTICLE I

Section 54. MANAGEMENT AND CONFIDENTIAL CLASSIFICATION SALARIES

Effective January 1, 2015

Effective January 1, 2016

Effective January 1, 2017

Upon adoption by the Governing Board of the percentage salary increases, the Executive Officer shall complete Article I with the appropriate salary ranges for management, confidential and attorney classifications.

CHAPTER III

TERMS AND CONDITIONS OF AT-WILL DESIGNATED DEPUTY APPOINTMENTS

ARTICLE 2

DESIGNATED DEPUTY SALARIES

Section 55. SALARY

Designated Deputy base salaries are listed in Chapter III, Article 7, of this document.

ARTICLE 7

DESIGNATED DEPUTY ANNUAL SALARIES

(Effective ~~March 15~~ January 1, 201~~35~~)

Assistant Chief Deputy Counsel, Major Prosecutions	\$154,950
Assistant Deputy Executive Officer	\$152,617

Chief Deputy Counsel	\$174,900
Deputy Executive Officer, including Chief Financial Officer	\$163,348
Director of Strategic Initiatives	\$145,807
Director of Technology Implementation	\$145,807
Health Effects Officer	\$145,807
Intergovernmental Affairs Officer	Vacant
Senior Policy Advisor	\$148,641

Upon adoption by the Governing Board of the percentage salary increases, the Executive Officer shall complete Article 7 with the appropriate salary ranges for Designated Deputy classifications.

ARTICLE 3

BENEFITS

Section 56. FRINGE BENEFITS

* * *

a. Retirement.

The amount of the employee's share of the retirement contribution paid by SCAQMD for management, confidential and Designated Deputy employees (unrepresented employees) shall be divided into three equal portions. The first portion shall be added to unrepresented employees' obligations effective the start of the pay period encompassing July 1, 2015; the second portion effective the start of the pay period encompassing July 1st, 2016, and the final portion shall become effective the start of the pay period encompassing July 1st, 2017. With the start of the pay periods encompassing July 1st of 2015, 2016, and 2017, respectively, unrepresented employees shall receive a salary increase equivalent to the amount of the additional retirement obligation assumed under this provision. Unrepresented employees who have 30 years or more of retirement service credit with SBCERA, were hired on or after July 1, 2012, and those employees hired on or after the implementation of PEPRA are not eligible to receive these increases to base salary and are not required to make the additional contribution described above. At the time an unrepresented employee reaches 30 years of SBCERA service credit, the salary increases to base salary previously received pursuant to this section shall be terminated and the employee's base salary will be adjusted accordingly.

ATTACHMENT C

**SOUTH COAST AIR QUALITY
MANAGEMENT DISTRICT**

ADMINISTRATIVE CODE

Revised ~~September 11~~ December 5, 2014

Section 116.1 - Employee Contributions

* * * *

The amount of the employee's share of the retirement contribution paid by SCAQMD for management, confidential and Designated Deputy employees (unrepresented employees) shall be divided into three equal portions. The first portion shall be added to unrepresented employees' obligations effective the start of the pay period encompassing July 1, 2015; the second portion effective the start of the pay period encompassing July 1st, 2016, and the final portion shall become effective the start of the pay period encompassing July 1st, 2017. With the start of the pay periods encompassing July 1st of 2015, 2016, and 2017, respectively, unrepresented employees shall receive a salary increase equivalent to the amount of the additional retirement obligation assumed under this provision. Unrepresented employees who have 30 years or more of retirement service credit with SBCERA, were hired on or after July 1, 2012, and those employees hired on or after the implementation of PEPRA are not eligible to receive these increases to base salary and are not required to make the additional contribution described above. At the time an unrepresented employee reaches 30 years of SBCERA service credit, the salary increases to base salary previously received pursuant to this section shall be terminated and the employee's base salary will be adjusted accordingly.

ATTACHMENT D
RESOLUTION NO. 14-

A Resolution of the South Coast Air Quality Management District Governing Board to amend SCAQMD's *Salary Resolution* and *Administrative Code*, to approve, for management, confidential, attorney classes, and Designated Deputies, annual increases to base salaries; and as applicable, additional salary increases in exchange for employees paying the entire portion of the employee's share of their retirement contribution.

WHEREAS, the Governing Board of the South Coast Air Quality Management District exercises its duty to review and determine appropriate wages, hours, and other terms and conditions of employment provided to its employees.

THEREFORE, BE IT RESOLVED that the Board of the South Coast Air Quality Management District, in a regular session assembled on December 5, 2014, in Diamond Bar, California, does hereby amend SCAQMD's *Salary Resolution* and *Administrative Code* to approve, for management, confidential, attorney classes, and Designated Deputies, annual increases to base salaries; and, as applicable, additional salary increases in exchange for employees paying the entire portion of the employee's share of their retirement contribution.

AYES:

NOES:

ABSTAIN:

ABSENT:

Date

Clerk of the Board