



Memorandum MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Reviewed by: [Signature] Date 6/16/17
General Manager

DATE: June 16, 2017
TO: Board of Directors
FROM: Director of Finance & Administration
SUBJECT: Extension of Collective Bargaining Agreements

RECOMMENDATION: That the Board approve a 24-month extension to the Memoranda of Understanding (MOUs) with the Management Unit, Operating Engineers, Local 3 (OE3) Operations Unit, OE3 Laborers and Sales Clerks (LSC) Unit and OE3 Support Unit, extending the term of the labor contracts through June 30, 2019.

BACKGROUND

The MOUs, as approved by the Board in 2014 for the four District bargaining units, will expire on June 30, 2017:

With Board direction, District Management has been negotiating with representatives of the four (4) bargaining units since March of this year and we are pleased to have reached tentative agreements with all four bargaining units, as directed by the Board.

DISCUSSION

In March 2017, staff proposed extending the four District labor contracts for an additional two years, due primarily to the timing of the MRF Renovation Project's groundbreaking as this endeavor was expected to disrupt a major business unit's operations at about the same time that negotiations were scheduled to begin, creating a potential conflict of the time and resources needed to effectively manage through both endeavors. Furthermore, staff proposed strategically postponing the negotiations discussions to allow for the collection of one year's worth of financial data from the renovated MRF as this is an important factor for consideration in any labor negotiation. Additionally, the retirement of the long-time OE3 Business Representative was also a factor in recommending an extension. The Board agreed and directed staff to seek contract extensions. The tentative agreements include the following MOU amendments:

A. Management Unit

1. Effective July 1, 2017, the 2014-2017 Memorandum of Understanding is extended by 24 months. All terms and conditions shall remain in effect through June 30, 2019.
2. SECTION I, SALARIES is amended to add the following:
 - G. Effective July 1, 2017, a COLA adjustment of 1.5% to 4.5% shall be applied to the ranges of the classifications of this unit as determined by the SF/BAY CPI-U for the twelve-month period ending April 30, 2017.
 - H. Effective July 1, 2018, a COLA adjustment of 1.5% to 4.5% shall be applied to the ranges of the classifications of this unit as determined by the SF/BAY CPI-U for the twelve-month period ending April 30, 2018.

B. OE3 Operations Unit); OE3 Laborers and Sales Clerks (LSC) Unit; and OE3 Support Unit

1. Effective July 1, 2017, the 2014-2017 Memorandum of Understanding is extended for 24 months. All terms and conditions shall remain in effect through June 30, 2019.
2. SECTION XIII. is amended to add the following:
 - B. Effective July 1, 2017, the District agrees to a 3% increase. Effective July 1, 2018, the District agrees to a 3% increase.

FISCAL IMPACT


The financial impact for the extension of the MOUs over the next two years amounts to approximately \$520,000 in wages.

STRATEGIC PLAN

The contract extensions outlined above are in line with the strategic plan in the areas of People and Finance. The contract extensions assure our employees of our continued commitment to be mindful in the retention and growth of our people. Additionally, the strategy to postpone labor negotiations for the reasons described above address our desire to be good stewards of our public funding while continuing to fulfill our commitment to our employees.

CONCLUSION

Board approval of a 24-month extension of the Management Unit, OE3 Operations Unit, OE3 LSC Unit and OE3 Support Unit Memorandums of Understanding and respective salary increases discussed above is requested to comply with the Board's direction.


Peter K. Skinner