



February 7, 2020

Update on County's Efforts to Reach Agreement with SEIU

Dear County Employees:

With the vote on the County's Last, Best, and Final Offer coming up soon, we think it is very important that employees receive accurate information about the County's offer. For that reason, we are reattaching our January 16th letter, which gives full and accurate details on the pay increases the County is proposing over a period of 36 months. You will note that among the important details, the County has proposed:

- Cost-of-Living wage increases of 3%, 1%, and 2%;
- Significant equity improvements for difficult to recruit classifications;
- A 2% longevity compensation for employees with 20 years or more of County service; and
- Additional 3 days of sick leave for part-time employees.

As we have made clear to the Union, this is the maximum that the County can afford without jeopardizing essential services in the face of rising pension costs and other budget limitations.

The Union recently asked us an important question – what if some, but not all, of SEIU's six bargaining units vote in favor of the County's proposal? Our answer: the County has six separate MOUs representing members of SEIU. Because each bargaining unit has its own MOU, the County Labor team will promptly recommend to the Board of Supervisors adoption of a bargaining unit MOU where its members have voted to approve the County's proposal. We assume that the vote will be bargaining unit by bargaining unit, as provided in SEIU's bylaws for ratification votes, but the Union has refused to clarify this point. We have also explained to SEIU that the County will not impose increases on any bargaining unit that does not approve the County's proposal.

As always, the County deeply appreciates the important work that all County employees perform so well every day for County residents.

Sincerely,

A handwritten signature in blue ink that reads "Monica Nino".

Monica Nino
County Administrator

Attachments: (Letter dated January 16, 2020 to County Employees)



January 16, 2020

Update on Yesterday’s Negotiations Between the County and SEIU

Dear County Employees:

We are writing to provide an update on the County’s efforts to reach a new agreement with SEIU covering the members of its six bargaining units.

Yesterday’s Negotiations

The County met yesterday, January 15, with the SEIU bargaining team in the hope of reaching a new agreement. At the meeting, the Union came in with three alternative proposals. Each of these new Union proposals were tens of millions of dollars higher than what the County can afford. One of the proposals cost approximately \$121 million – almost double the amount the County has determined it can afford within its limited budget.

At the request of the County, the Union reconsidered its three alternative proposals and came back with a single proposal. This new proposal showed significant movement, but its total cost has been estimated at \$85.4 million. The cost of the new proposal is still roughly \$22 million above the County’s offer. In an effort to see if this gap could be bridged, the County suggested confidential mediation (our prior mediator Gerry Adams was present as a facilitator), and the Union agreed.

Unfortunately, mediation failed.

At the end of the day, the Union confirmed that its latest proposal was its Last, Best, and Final Offer. The County confirmed that its prior proposal was its Last, Best, and Final Offer. In summary, here are the County and Union’s proposals:

| Item | County | Union | | |
|--------------------------|---|------------------------------|--|--|
| Term of Agreement | 36 months commencing upon Board adoption of MOU | July 1, 2019 – June 30, 2022 | | |

| COLA Increase | | | County Proposal 36-Month Cost | SEIU Proposal 29-Month Cost |
|----------------------------|--------------------------------------|-----------------------|-------------------------------|-----------------------------|
| | Effective upon Board adoption of MOU | Retroactive to 7/1/19 | | |
| Year 1 | 3% | 3% | | |
| Year 2 | 1% | 3% | | |
| Year 3 | 2% | 3% | | |
| TOTAL COLA INCREASE | 6% | 9% | \$54,612,356 | \$76,484,501 |

| Additional Wage Increases | | | | |
|---------------------------|---|----------------|-------------|-------------|
| Equity Adjustments | See Attached | Same as County | \$4,970,783 | \$4,970,783 |
| Longevity | 2% for employees with 20 years or more of County service | Same as County | \$3,185,151 | \$3,185,151 |
| Other Increases | Three additional days of sick leave for part-time employees | Same as County | \$790,393 | \$790,393 |

| ADDITIONAL PROPOSALS: | | | | |
|------------------------|--|---|---------------------|---------------------|
| Salary Survey | Pre-negotiations labor management committee | N/A | | |
| Health Benefits | Status quo, plus Sutter option if preferred by employee; buy ups for dental and vision | Sutter option not allowed in proposal, buy ups for dental and vision included | | |
| TOTAL COST | | | \$63,558,683 | \$85,430,828 |

| ADDITIONAL PROPOSALS: | |
|--|--|
| Other Items ok'd by each party as part of package: | Uniform allowance provision for certain classifications, overtime for certain exempt IT classes, bereavement leave language change |

As is apparent from the above, the parties are approximately \$22 million apart (3-year cost) – a sizable difference. It should also be noted that the Union’s proposal is requesting an effective date that precedes the expiration of the previous agreement. From the County’s perspective, the Union is proposing a 29-month agreement versus the County’s 36-month proposal.

The County advised the Union team that its proposal of a 9% cost-of-living adjustment (COLA) increase over three years is well beyond the maximum the County’s budget can absorb. The Union is also aware of our belief that even a modest increase above the County’s present COLA proposal (3%-1%-2%) would jeopardize important public programming and the County’s long-term fiscal sustainability. The County has provided the Union with documentation that clearly demonstrates this fact.

Next Steps

We have asked the Union to submit the County’s offer to the Union membership for a vote, and the Union has agreed. The County is now working with the Union to coordinate the resources necessary to conduct the vote.

The County Shares Employees’ Concerns with the Delays in Reaching a New Agreement

We know that many employees are concerned about how long these negotiations have taken. We share that concern. We hope that the Union membership will understand our good-faith efforts and our resolve to reach a fair agreement that is consistent within the County’s financial situation and with our ability to meet the challenges ahead.

We are of course aware of the Union’s strike threats. These threats do not weaken the County’s resolve to offer a fair and sustainable series of pay increases for our employees. Yesterday, we stated our resolve very clearly to the Union - the same resolve the County maintained in response to the strike during the last negotiations. We also made clear that the County would not unilaterally impose the wage increases and other terms of its Last, Best, and Final Offer. Instead, we will wait for the successful completion of negotiations with SEIU.

We know this uncertainty has been a source of strain for you and your families. We hope that the Union membership agrees to the County’s proposal so that the pay increases it calls for can take effect. As always, we are extremely grateful for the dedication and professionalism with which all of you serve the people of San Joaquin County every day.

Sincerely,



Monica Nino
County Administrator

COUNTY'S FORMAL ON THE RECORD PACKAGE PROPOSAL TO SEIU
November 4, 2019

COUNTY'S PROPOSED EQUITY ADJUSTMENTS

OOT:

| | |
|-------------------------------|------|
| Communications Dispatcher I | 3.0% |
| Communications Dispatcher II | 3.0% |
| Communications Dispatcher III | 0.5% |
| Credentialing Spec | 4.0% |
| Trauma Registrar I | 4.0% |
| Trauma Registrar II | 4.0% |

PPT:

| | |
|------------------------------|------|
| EMS Spec | 4.0% |
| Accountant I | 1.5% |
| Accountant II | 1.5% |
| Business Analyst I | 4.0% |
| Business Analyst II | 4.0% |
| Crime Analyst | 2.0% |
| Management Analyst I | 4.0% |
| Management Analyst II | 4.0% |
| Mental Health Specialist II | 2.0% |
| Nursing Assistant | 4.0% |
| Operating Room Tech I | 6.0% |
| Operating Room Tech II | 6.0% |
| Perinatal Child Care Aide | 4.0% |
| Perinatal Child Care Worker | 4.0% |
| Psychiatric Tech | 2.0% |
| Sr. Operating Room Tech. | 6.0% |
| Sr. Psychiatric Tech | 2.0% |
| Special Procedures Tech. II | 4.0% |
| Substance Abuse Counselor I | 4.0% |
| Substance Abuse Counselor II | 4.0% |

PRO:

| | |
|-------------------------------|------|
| Associate Planner | 2.0% |
| Assistant Planner | 2.0% |
| Deputy Auditor – Controller I | 1.5% |

| | |
|-----------------------------------|-------|
| Deputy Auditor – Controller II | 1.5% |
| Engineer II | 2.0% |
| Engineer III | 2.0% |
| Engineer IV | 21.0% |
| Environmental Coordinator | 2.0% |
| Licensed Land Surveyor | 2.0% |
| Mental Health Clinician I | 16.9% |
| Mental Health Clinician II | 19.8% |
| Occup Thrpst – Clinical Spec | 3.0% |
| Occup Thrpst – Senior | 3.0% |
| Phys Thrpst – Clinical Spec | 3.0% |
| Phys Thrpst – Senior | 3.0% |
| Public Health Nutritionist | 4.0% |
| Sr Public Health Nutritionist | 4.0% |
| Speech Thrpst II – Staff | 3.0% |
| Speech Thrpst IV – Clinical Spec. | 3.0% |

SUP:

| | |
|---------------------------------------|-------|
| Asst Medical Records Admin | 2.0% |
| Chief Psychiatric Tech | 2.0% |
| Elections Tech Supervisor | 4.0% |
| Mental Health Clinician III | 16.4% |
| Mental Health Specialist III | 2.0% |
| Occup Thrpst IV – Asst Dept Mgr | 3.0% |
| Patient Financial Services Supervisor | 3.0% |
| Phys Thrpst IV – Asst Dpt Mgr | 3.0% |
| Sterile Processing Tech Supervisor | 4.0% |
| Substance Abuse Prog Supervisor | 4.0% |

TLI:

| | |
|----------------------------|------|
| Sterile Processing Tech I | 4.0% |
| Sterile Processing Tech II | 4.0% |
| Supply Distribution Tech | 4.0% |