

AGENDA: March 5, 2015

TO: Regional Transportation Commission (RTC)

FROM: George Dondero, Executive Director
Yesenia Parra, Administrative Services Officer

RE: Memoranda of Understanding Extensions

RECOMMENDATIONS

Staff recommends that the Santa Cruz County Regional Transportation Commission (RTC):

1. ~~adopt~~ **Adopt** the attached resolution (Attachment 1) approving the MOU side letters (Exhibits A and B to Attachment 1) with the bargaining units, Community of RTC Employees (CORE) and the RTC Association of Middle Managers (RAMM) that outline the provisions for a 3-year extension of each MOU.
2. **Adopt the CalPERS resolution (Attachment 2) for the Employer Paid Member Contributions to change the contribution rate for the Community of RTC Employees (CORE) consistent with the approved MOU side letter.**

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BACKGROUND

The memoranda of understanding (MOU's) of the RTC bargaining units, Community of RTC Employees (CORE) and the RTC Association of Middle Managers (RAMM), will expire on March 31, 2015. Both CORE and RAMM have been engaged in negotiations with the RTC for extension of the current Memoranda of Understanding (MOU's). The current MOU's were previously fully negotiated in 2007. The RTC and its Budget and Administration/Personnel Committee (B&A/P) Committee provided direction to its bargaining team through closed sessions. The RTC reached tentative agreements with both bargaining units for a 3 year extension of their corresponding Memoranda of Understanding.

DISCUSSION

The major provisions of the tentative agreements (Exhibits A and B of Attachment 1), include the following for both bargaining units, CORE and RAMM:

1. The current Memoranda of Understanding (MOU's) and prior amendments to the MOU's including all side letters signed by the parties shall be extended for 3 years with an expiration date of March 31, 2018.
2. Compensation study postponed and to take place starting October 2017.

3. RTC will maintain the same level of benefits as outlined in the current labor agreements for active employees and retirees as outlined in the current MOU and all corresponding amendments and side letters using the 2015, 2016, 2017, and 2018 insurance premium costs for each calendar year.
4. Cost of living increases as follows: effective April 1 or at the beginning of the pay period closest to April 1 of each year: 2% 2015; 2% 2016; 2% 2017

The following provisions apply to the Memorandum of Understanding (MOU) for the Community of RTC Employees (CORE) only:

1. Special Adjustment as follows: effective April 1 or at the beginning of the pay period closest to April 1 of each year: 3.5% 2015; 3.5% 2016
2. Employees will pay 3.5% of the employees CalPERS retirement contribution beginning April 1, 2015 and the total 7% contribution beginning April 1, 2016 or the closest pay period to April 1st of each of those years

The total 7% special adjustment increase to CORE employees is to swap the employees CalPERS retirement contribution cost currently paid by the RTC. The RTC will no longer contribute the 7% CalPERS Retirement cost on behalf of the CORE employees after the increase in 2016. CalPERS requires the approval of a specific resolution to shift the responsibility for payment of the employee contribution from RTC to the employees. The resolution required by CalPERS is included as Attachment 2

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The following provisions apply to the Memorandum of Understanding (MOU) for the RTC Association of Middle Managers (RAMM) employees only:

1. Parity Adjustments as follows: effective April 1 or at the beginning of the pay period closest to April 1 of each year: 2% 2015; 2% 2016; and 1.8% 2017.
2. The following language should replace the current language in Article 13 Overtime 4.a: "RTC Association of Middle Manager employees are salaried employees exempt from overtime provisions except as specifically provided in Article 13 Compensation."

SUMMARY

The RTC has reached an agreement with both RTC bargaining units, CORE and RAMM, to extend the current Memoranda of Understanding (MOU's) for 3 years. The provisions of the extension to the MOU's are outlined in the attached side letters (Exhibits A and B to Attachment 1). Staff recommends that the RTC adopt the attached resolution (Attachment 1) to extend the MOU's for 3 years and implement all provisions as outlined in the side letters; and adopt the CalPERS resolution for the Employer Paid Member contribution to change the rate the RTC pays for the Community of RTC Employees (CORE) and authorize the

Executive Director to take all necessary actions including signing the appropriate documents to implement the provisions of the side letters.

Attachments:

- 1. Resolution to extend current MOU's and implement all provisions
- 2. Resolution for CalPERS Employer Paid Member Contribution for Community of RTC Employees (CORE)

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RESOLUTION NO. 18-15

Adopted by the Santa Cruz County Regional Transportation Commission

on the date of March 5, 2015
on the motion of Commissioner
duly seconded by Commissioner

A RESOLUTION FOR EMPLOYER PAID MEMBER CONTRIBUTIONS

WHEREAS, the governing body of the Santa Cruz County Regional Transportation Commission (RTC) has authority to implement Government Code Section 20691; and

WHEREAS, the governing body of the Santa Cruz County Regional Transportation Commission has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer; and

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the Santa Cruz County Regional Transportation Commission of a Resolution to commence said Employer Paid Member Contribution (EPMC);

WHEREAS, the governing body of the Santa Cruz County Regional Transportation Commission has identified the following conditions for the purpose of its election to pay EPMC;

- This benefit shall apply to all employees of the Community of RTC Employees unit (CORE).
- This benefit shall consist of paying 3.5% of the normal member contributions as EPMC.
- The effective date of this Resolution shall be April 1, 2015.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Santa Cruz County Regional Transportation Commission elects to pay EPMC, as set forth above.

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSTAIN: COMMISSIONERS

ABSENT: COMMISSIONERS

John Leopold, Chair

ATTEST:

George Dondero, Secretary

Distribution: RTC Fiscal
RTC Administrative Services Officer
CalPERS