

DATE December 13, 2021

TO: SEIU Local 521

FROM: County of Santa Cruz

**SUBJECT: LAST BEST AND FINAL PACKAGE OFFER**

I. Introduction

As you are aware, the County of Santa Cruz and the SEIU Local 521 – General Representation Unit Bargaining group have been in negotiations for a successor contract since June 7, 2021. While the parties have met twenty-two (22) times, we have been unable to reach agreement on several key economic issues.

II. Last Best and Final Offer (LBFO) Terms

Attachment A to this LBFO includes the full legislative versions of the contract language provisions of this Last Best and Final Offer.

A. The following is a summary of the economic provisions of this LBFO.

- Term:
  - Effective upon adoption of a successor MOU by the Board of Supervisors (BOS) and the Union through September 18, 2024.
- Stewards:
  - SEIU shop stewards will be granted paid release time for one additional eight-hour shop steward training each year.
- Salary:
  - Three percent (3%) base wage increase for all bargaining unit members effective the first full pay period after Union ratification and BOS approval; and,
  - Two and one-half percent (2.5%) effective the first full pay period in September 2022; and,
  - Two and one-half percent (2.5%) effective the first full pay period in September 2023.
- Equity Adjustments:
  - Effective the first full pay period after ratification and BOS approval, increase the salary ranges for all classifications in the Public Health Nurse II benchmark by 4.5%.
  - Effective the first full pay period in September 2022, increase the salary ranges for all classifications in the Public Health Nurse II benchmark by 4.5%.

- Effective the first full pay period after ratification and BOS approval, increase the salary ranges for all classifications in the Physician Assistant/Nurse Practitioner benchmark by 9.5%.
  - Effective the first full pay period in September 2022, increase the salary ranges for all classifications in the Physician Assistant/Nurse Practitioner benchmark by 5.5%.
  - Effective the first full pay period after ratification and BOS approval, increase the salary ranges for all classifications in the Clinical Lab Scientist benchmark by 7.25%.
  - Effective the first full pay period in September 2022, increase the salary ranges for all classifications in the Clinical Lab Scientist benchmark by 7.25%.
  - Effective the first full pay period after ratification and BOS approval, increase the salary ranges for all classifications in the Radiological Technologist benchmark by 5.75%.
  - Effective the first full pay period in September 2022, increase the salary ranges for all classifications in the Radiological Technologist benchmark by 5.75%.
- Mechanic Tool Allowance:
    - Effective after ratification and BOS approval, employees in the classes of Automotive Mechanic, Sr. Automotive Mechanic, Heavy Equipment Service Worker, Heavy Equipment Mechanic I & II, Supervising Heavy Equipment Mechanic & Pump Maintenance Mechanic are eligible to be reimbursed up to \$1,000 per contract year with receipts.
- Medical:
    - Effective as soon as administratively possible for Calendar Year 2022, County will contribute 95%/90%/90% of the 2022 premium for the lowest cost HMO (excluding Kaiser) available in CalPERS Health, but not less than EE Only = \$879.32, EE + 1 = \$1,666.08, EE + 2 or more = \$2,165.90, which includes the PEMHCA minimum.
    - For Calendar Year 2023, County will contribute 95%/90%/90% of the 2023 premium for the lowest cost HMO (excluding Kaiser) available in CalPERS Health, but not less than EE Only = \$927.68, EE + 1 = \$1,757.71, EE + 2 or more = \$2,285.02, which includes the PEMHCA minimum.
    - For Calendar Year 2024, County will contribute 95%/90%/90% of the 2024 premium for the lowest cost HMO (excluding Kaiser) available in CalPERS Health, but not less than EE Only = \$978.71, EE + 1 = \$1,854.39, EE + 2 or more = \$2,410.70, which includes the PEMHCA minimum.

- On-Call Pay:
  - Effective the first full pay period after ratification and BOS approval, increase on-call compensation from \$3.00/hour to \$4.00/hour.
- Detention and Juvenile Hall Facilities Differential:
  - Effective the first full pay period after ratification and BOS approval, all employees in the job classes of Cook, Head Cook, Detention LVN, Detention RN (aka Detention Nurse Specialist I/II), and Detention Nurse Supervisor shall have the \$1.00 per hour Detention and Juvenile Hall differential rolled into their base hourly rate.
- Longevity Differential:
  - Effective the first full pay period after ratification and BOS approval, employees will become eligible for a 3% longevity differential after completing 41,600 hours of County service (approximately 20 years).
- Holidays:
  - Beginning in June 2022, June 19 will be recognized as a paid County holiday in recognition of Juneteenth.
- 7/12 Schedule:
  - Effective as soon as administratively possible, all Sheriff's Records Clerks assigned to the Sheriff's Corrections Bureau will work a 7/12 schedule.

All proposed implementation dates assume Union ratification and BOS approval prior to implementation.

- B. All Signed Tentative Agreements Included: Although the parties have not reached consensus on a total agreement, negotiations have produced 35 signed tentative agreements on the issues brought forward by both parties. All tentative agreements are included in Attachment B. The parties have also conceptually agreed to one additional TA on the Mental Health Classification series, which is pending signature.
- C. The County rejects all other outstanding SEIU proposals and the County has no outstanding proposals.

### III. Conclusion

The County requests the Union to respond to this Last Best and Final Offer in writing no later than the close of business on December 20, 2021. If the County does not receive a response by SEIU by December 20, 2021, the County will deem lack of response as a rejection. If SEIU accepts the terms of this LBFO, the County's bargaining team will prepare the tentative agreement packet for the BOS in accordance with Brown Act agenda noticing requirements, first for closed session and on a subsequent date for the open session.

Last Best and Final Package Offer

County distributed at table 12/13/21

## **ATTACHMENT A**

**ARTICLE 1 MEMORANDUM OF UNDERSTANDING: INTRODUCTION**

This is a Memorandum of Understanding between the County of Santa Cruz and the Service Employees International Union Local 521 for the General Representation Unit. Both parties agree that this Memorandum is a result of meeting and conferring in good faith under the terms of State law and County regulations. This Memorandum of Understanding contains the complete results of negotiations between the County of Santa Cruz and SEIU Local 521 for County employees for the period ~~September 19, 2020 through September 18, 2021~~ September 19, 2021 through September 18, 2024 for all provisions, and supersedes all previous agreements. ~~Unless otherwise specified herein, all provisions of this agreement became effective October 22, 2016 for the term of the previous contract period September 24, 2016 – September 18, 2020 and will continue through the one year contract extension.~~

It is understood and agreed that this MOU represents a complete and final understanding on all negotiable issues between the County and SEIU Local 521 on behalf of the General Representation Unit. This Agreement supersedes all previous memoranda of understanding or agreements between the parties on matters within the scope of representation except as specifically referred to in this Agreement. All ordinances, resolutions, minute orders or rules covering any practice, subject or matter not specifically referred to in this Agreement shall not be superseded, modified, or repealed by implication or otherwise by the provisions of this Agreement.

The provisions herein shall remain in effect for the life of the Agreement and unless otherwise stated neither party is obligated to reopen on any matter covered in this Agreement. In the event any new practice, subject or matter arises during the term of this Agreement which is subject to meet and confer and an action is proposed by the County, SEIU Local 521 on behalf of the General Representation Unit shall be afforded notice pursuant to the County's Employer-Employee Relations Policy and shall have the right to meet and confer upon request. In the absence of any agreement, nothing herein is intended to limit the rights of the parties to take action in accordance with the law and this MOU.

It is understood and agreed that implementation of this Memorandum of Understanding will require certain modification by Board action to the salary, compensation and leave provisions of Section 160 (Salary, Compensations and Leave Provisions) of the Personnel Regulations by Board action.

## ARTICLE 3 UNION ACTIVITIES

### 3.1 STEWARDS

The Union agrees to notify the County of their Stewards on a quarterly basis. At least one Steward shall be allowed in each department. If a department has more than one physical work location, a Steward shall be allowed at each separate physical work location. If more than twenty-five (25) employees in the same department are assigned to one physical work location, one (1) Steward shall be allowed for each twenty-five (25) or fraction thereof. The Union may request additional Stewards where departmental circumstances warrant such action and department heads are authorized to grant such requests where circumstances warrant. Alternate Stewards may be designated to serve in the absence of the Steward. The County and Union will jointly offer an eight (8)-hour basic Shop Steward training course once per calendar year as part of the Training Task Force program. The County agrees to provide release time for one (1) eight (8) hour Shop Steward training per calendar year in addition to the joint training session. Release time shall be authorized in accordance with MOU Attachment C. When Shop Stewards communicate with the County on issues within the scope of representation, they must identify themselves as Shop Stewards.

**PAY 7.1**

**A. Pay- Article 7.1 Economic Reopener for Fiscal Emergencies**

If at any time during the term of this MOU, the Board of Supervisors declares a fiscal emergency, the County may reopen the MOU for negotiations on any economic issues including but not limited to wages, health benefits, and retirement. Negotiations shall commence within 10 days of notice from the County. If the parties do not reach agreement within 30 days after commencement of negotiations, they may mutually agree to mediate the dispute under the auspices of the State Mediation and Conciliation Service, provided that such mediation shall commence within five days of the agreement to mediate and shall conclude within 14 days unless the parties otherwise mutually agree.

In the event of a declaration of a fiscal emergency, it is the County's intent to also reopen the collective bargaining agreements of other labor groups for negotiations on the economic issues outlined above in accordance with all applicable provisions of the MOU's. The County shall provide notice to the Union 5 days prior to consideration by the Board of Supervisors of a fiscal emergency under this provision.

If a state or federal law is passed to reduce benefits for active employees in this Unit, the parties shall have the right to reopen the economic provisions of the MOU.

**B. Cost of Living Increase**

1. ~~Effective the pay period beginning October 22, 2016 the first full pay period after ratification by the Union and Board of Supervisors approval, each step in the salary range for all employees shall be increased by 2.5 3%.~~
2. ~~Effective the first full pay period beginning in September 2022-23, 2017, each step in the salary range for all employees shall be increased by 2.5%. add a new top step/drop the current bottom step. Employees who have completed 2080 hours at the old top step will be moved to the new top step. (Excludes specific extra help only classifications).~~
3. ~~Effective the first full pay period beginning in September 2023-22, 2018 each step in the salary range for all employees shall be increased by 2.75 2.5%.~~
4. ~~Effective the pay period beginning September 21, 2019 each step in the salary range for all employees shall be increased by 2.75%~~

**C. Equity Adjustments**

1. ~~Effective the first full pay period after ratification by the Union and Board of Supervisors approval beginning October 22, 2016, all employees in the Public Health Nurse II~~

~~benchmark classifications of Clinical Lab Scientist will receive an equity adjustment of 8.62~~ 4.5%.

2. Effective the first full pay period in September 2022, all employees in the Public Health Nurse II benchmark classifications will receive an equity adjustment of 4.5%.
3. Effective the first full pay period after ratification by the Union and Board of Supervisors approval beginning October 22, 2016, all employees in the Physician's Assistant/Nurse Practitioner benchmark classifications of Radiological Technologist will receive an equity adjustment of 7.03 9.5%.
4. Effective the first full pay period in September 2022, all employees in the Physician's Assistant/Nurse Practitioner benchmark classifications will receive an equity adjustment of 5.5%.
5. Effective the first full pay period after ratification by the Union and Board of Supervisors approval all employees in the Clinical Lab Scientist benchmark classifications will receive an equity adjustment of 7.25%.
6. Effective the first full pay period in September 2022, all employees in the Clinical Lab Scientist benchmark classifications will receive an equity adjustment of 7.25%.
7. Effective the first full pay period after ratification by the Union and Board of Supervisors approval all employees in the Radiological Technologist benchmark classifications will receive an equity adjustment by 5.75%.
8. Effective the first full pay period in September 2022, all employees in the Radiological Technologist benchmark classifications will receive an equity adjustment of 5.75%.
9. ~~Effective the pay period beginning October 22, 2016, the salary ranges for Student Workers shall be adjusted as follows:~~
  - A. ~~Student Worker I: \$11.00 per hour~~
  - B. ~~Student Worker II: \$11.56 per hour to \$13.00 per hour~~
  - C. ~~Student Worker III: \$12.45 per hour to \$14.00 per hour~~
  - D. ~~Student Worker IV: \$13.33 per hour to \$15.00 per hour~~

#### ~~D. Special Parity Adjustments~~

1. ~~Effective the pay period beginning October 22, 2016, employees in the Accountant I classification shall receive an adjustment of 9.47%, employees in the Accountant II classification shall receive an adjustment of 2%, and employees in the Accountant III classification shall receive an adjustment of 3%.~~
2. ~~Effective the pay period beginning October 22, 2016, employees in the Sr. Legal Secretary classification shall receive a parity adjustment of 3% to address compaction with the Legal Secretary II classification and encourage promotion.~~



- ~~3. Effective the pay period beginning October 22, 2016, employees in the classification of Public Works Maintenance Worker IV shall receive a parity adjustment of 5% as compensation for their additional responsibilities as Lead Workers.~~
- ~~4. Effective the pay period beginning October 22, 2016, employees in the classification of Supervising Communications Technician shall receive a parity adjustment of 5%.~~
- ~~5. Effective the pay period beginning October 22, 2016, all employees in the classification of Health Client Benefit Representative will receive a parity adjustment of 2% to adjust for the increased workload due to ACA.~~

## **8.2 MECHANIC TOOL ALLOWANCE**

Effective upon Union ratification and Board of Supervisors approval, all employees in budgeted positions in the classes listed below shall be eligible to receive a tool reimbursement of up to a maximum of \$1,000 per contract year, which shall be paid following presentation of receipts documenting the purchase:

Automotive Mechanic

Senior Automotive Mechanic

Heavy Equipment Service Worker

Heavy Equipment Mechanic I

Heavy Equipment Mechanic II

Supervising Heavy Equipment Mechanic

Pump Maintenance Mechanic

### 10.1 MEDICAL COVERAGE & FLEXIBLE CREDIT

CalPERS offers employees choices in medical plans. Enrollment of some domestic partners is permitted in the Public Employees' Medical & Hospital Care Act (PEMHCA) health plan. Effective January 1, 2009, the County implemented a Flexible Health Allowance Program. Employees must be enrolled in a CalPERS PEMHCA health plan to participate. Enrollment status in a health plan determines the level of Flexible Health Allowance an employee is eligible to receive.

A. Employees in this representation unit may enroll in a medical plan offered by CalPERS in accordance with the provisions of the PEMHCA Program or a CalPERS approved County offered alternate medical plan. Employees have the option of enrolling their eligible dependents in a CalPERS approved County offered medical plan. Alternate medical plans must conform to CalPERS plans, rules, and regulations.

The Parties agree to meet and confer on potential impacts within the mandatory scope of bargaining that relate to the implementation and regulatory compliance of the Affordable Care Act (ACA) for the County sponsored medical plans.

B. For coverage during the term of this agreement the County shall contribute to the CalPERS PEMHCA Program or any other CalPERS approved County offered alternate medical plans the following monthly amount for active, eligible employees in budgeted positions who elect to participate in such program:

~~1. For calendar year 2016, the County will provide the following monthly benefit contributions for active employees:~~

~~a. CalPERS PEMHCA CONTRIBUTION~~

~~1. Employee only = the County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~

~~2. Employee + one dependent = The County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~

~~3. Employee + two or more dependents = The County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~

~~b. FLEXIBLE HEALTH ALLOWANCE CONTRIBUTION~~

~~1. Employee only = 95% of the 2016 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), but not less than \$651.80, which includes the PEMHCA minimum contribution.~~

- ~~2. Employee + one dependent = 90% of the 2016 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), but not less than \$1235.54, which includes the PEMHCA minimum contribution.~~
  - ~~3. Employee + two or more dependents = 90% of the 2016 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), but not less than \$1606.20, which includes the PEMHCA minimum contribution.~~
- ~~2. For calendar year 2017, the County will provide the following monthly benefit contributions for active employees:~~
- ~~a. CalPERS PEMHCA CONTRIBUTION~~
    - ~~1. Employee only = the County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~
    - ~~2. Employee + one dependent = The County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~
    - ~~3. Employee + two or more dependents = The County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~
  - ~~b. FLEXIBLE HEALTH ALLOWANCE CONTRIBUTION~~
    - ~~1. Employee only = 95% of the 2017 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser): \$696.63, which includes the PEMHCA minimum contribution in 2(a)(1).~~
    - ~~2. Employee + one dependent = 90% of the 2017 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser): \$1319.92, which includes the PEMHCA minimum contribution in 2(a)(2).~~
    - ~~3. Employee + two or more dependents = 90% of the 2017 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser): \$1715.90, which includes the PEMHCA minimum contribution in 2(a)(3).~~
- ~~3. For calendar year 2018, the County will provide the following monthly benefit contributions for active employees:~~
- ~~a. CalPERS PEMHCA CONTRIBUTION~~
    - ~~1. Employee only = the County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~
    - ~~2. Employee + one dependent = The County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~

~~3. Employee + two or more dependents = The County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~

~~b. FLEXIBLE HEALTH ALLOWANCE CONTRIBUTION~~

~~1. Employee only = 95% of the 2018 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), but not less than \$696.63, which includes the PEMHCA minimum contribution in 3(a)(1).~~

~~2. Employee + one dependent = 90% of the 2018 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), but not less than \$1319.92, which includes the PEMHCA minimum contribution in 3(a)(2).~~

~~3. Employee + two or more dependents = 90% of the 2018 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), but not less than \$1715.90, which includes the PEMHCA minimum contribution in 3(a)(3).~~

~~Upon receipt of the 2018 CalPERS health rates, should the rates provide for County contributions less than those identified in 3 (b) (1-3), the parties shall meet and discuss options. At no time during the 2018 plan year will the County pay more than the full costs associated with employees' health plan selection.~~

~~4. For calendar year 2019, the County will provide the following monthly benefit contributions for active employees:~~

~~a. CalPERS PEMHCA CONTRIBUTION~~

~~1. Employee only = the County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~

~~2. Employee + one dependent = The County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~

~~3. Employee + two or more dependents = The County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~

~~b. FLEXIBLE HEALTH ALLOWANCE CONTRIBUTION~~

~~1. Employee only = 95% of the 2019 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), but not less than \$696.63, which includes the PEMHCA minimum contribution in 4(a)(1).~~

- ~~2. Employee + one dependent = 90% of the 2019 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), but not less than \$1319.92, which includes the PEMHCA minimum contribution in 4(a)(2).~~
- ~~3. Employee + two or more dependents = 90% of the 2019 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), but not less than \$1715.90, which includes the PEMHCA minimum contribution in 4(a)(3).~~

~~Upon receipt of the 2019 CalPERS health rates, should the rates provide for County contributions less than those identified in 4(b)(1-3), the parties shall meet and discuss options. At no time during the 2019 plan year will the County pay more than the full costs associated with employees' health plan selection.~~

- ~~5. For calendar year 2020, the County will provide the following monthly benefit contributions for active employees:~~

~~a. CalPERS PEMHCA CONTRIBUTION~~

- ~~1. Employee only = the County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~
- ~~2. Employee + one dependent = The County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~
- ~~3. Employee + two or more dependents = The County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.~~

~~b. FLEXIBLE HEALTH ALLOWANCE CONTRIBUTION~~

- ~~1. Employee only = 95% of the 2020 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), but not less than \$696.63, which includes the PEMHCA minimum contribution in 5(a)(1).~~
- ~~2. Employee + one dependent = 90% of the 2020 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), but not less than \$1319.92, which includes the PEMHCA minimum contribution in 5(a)(2).~~
- ~~3. Employee + two or more dependents = 90% of the 2020 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), but not less than \$1715.90, which includes the PEMHCA minimum contribution in 5(a)(3).~~

~~Upon receipt of the 2020 CalPERS health rates, should the rates provide for County contributions less than those identified in 5(b)(1-3), the parties shall meet and discuss~~

~~options. At no time during the 2020 plan year will the County pay more than the full costs associated with employees' health plan selection.~~

6. ~~1. As soon as administratively possible, f~~For calendar year 2021, the County will provide the following monthly benefit contributions for active employees:

a. CalPERS PEMHCA CONTRIBUTION

1. Employee only = the County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.
2. Employee + one dependent = The County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.
3. Employee + two or more dependents = The County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.

b. FLEXIBLE HEALTH ALLOWANCE CONTRIBUTION

1. Employee only = \$869.32, which includes the PEMHCA minimum contribution in 61(a)(1). The County's contribution represents 95% of the 2021 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), minus an additional \$10 employee contribution.
2. Employee + one dependent = \$1656.08, which includes the PEMHCA minimum contribution in 61(a)(2). The County's contribution represents 90% of the 2021 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), minus an additional \$10 employee contribution.
3. Employee + two or more dependents = \$2155.90, which includes the PEMHCA minimum contribution in 61(a)(3). The County's contribution represents 90% of the 2021 premium of the lowest cost HMO available in CalPERS Health (excluding Kaiser), minus an additional \$10 employee contribution.

At no time during the 2021 plan year will the County pay more than the full costs associated with employees' health plan selection.

2. Effective as soon as administratively possible, for calendar year 2022, the County will provide the following monthly benefit contributions for active employees:

a. CalPERS PEMHCA CONTRIBUTION

1. Employee only = the County shall contribute the PEMHCA minimum as determined by CalPERS on an annual basis.