

CONTRACT NEGOTIATIONS – Process and Status

The salaries, pensions, and working conditions for PEGC members are established through negotiations between PEGC and the Governor’s Office, represented by CalHR. For employees in Bargaining Unit 9, this occurs through negotiations which result in a binding contract (or MOU) approved by the PEGC members, the Legislature, and the Governor.

For the Supervisors and Managers, PEGC meets and confers with CalHR and agreements are embodied in statutes, regulations, or policy letters, rather than a binding contract.

The current MOU runs through June 30. As negotiations for a new MOU are underway, the following describes the process to get from here to agreement.

The Dills Act authorized collective bargaining for state employees in 1978. A Labor Board established 21 Bargaining Units including Unit 9, the Professional Engineer Unit. The employees in the Unit voted and selected PEGC as the exclusive representative. PEGC’s responsibilities include representing those employees for bargaining, grievances, and other functions.

The current MOU for Unit 9 was negotiated in 2015 and expires this June. Prior to entering negotiations for a new MOU, the priorities of the Unit 9 PEGC members were established in a survey. (A separate survey was conducted for PEGC-represented Supervisors and Managers). The results assist your Bargaining Team in negotiating a new contract. PEGC and CalHR also conduct an annual salary survey of local public agencies in California to compare your salaries with your counterparts in those agencies.

Your PEGC Bargaining Team conducts negotiations on your behalf. It includes a Chair, who is elected annually by the

members as the Vice President for Collective Bargaining, and five other PEGC members selected from departments and geographical locations to represent a cross section of the Unit.

Your Team has begun meeting with CalHR and representatives of some of the departments which employ PEGC members. Essentially, each party proposes items for the new contract. The teams negotiate which current contract items they wish to keep, delete, or change, as well as additional or new contract items. Of the 21 state Bargaining Units, only four are in active negotiations this year.



If negotiations continue through the end of June, the provisions of the current MOU continue to remain in effect. Eventually, your PEGC Bargaining Team and CalHR reach agreement on all items and negotiations are completed. PEGC provides the members with information on the elements of the new contract and conducts meetings throughout the state to inform the members and answer questions. Meanwhile, the new MOU is sent to the Legislature to approve funding for any pay or benefit increases and to implement any changes in law which may be required.

If the PEGC members in Unit 9 vote to approve the contract, the Legislature adopts it, and the Governor signs the legislation, then the new contract takes effect. It is posted on the PEGC and CalHR websites and PEGC prepares printed copies for members who request them.

Unit 9 contract negotiations are not a hostile battle with an adversary. PEGC and CalHR have different goals. The bargaining process is the way we work together to achieve those goals. Ultimately, the MOU is the result of that process.

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PECG Legislative Day... and Evening



Senator **Richard Pan** (fourth from right) welcomes PECG leaders in his Sacramento Office.



Assembly Member **Kevin Kiley** (center right) wraps up his meeting with some of his PECG member constituents.



Assembly Member **Melissa Melendez** (center) meets with Executive Director **Bruce Blanning** (left), and PECG leaders **Scott Hongkham**, **Reyna Baeza-Oregal**, and **Jane Pham**.

PECG leaders from throughout California converged in Sacramento earlier this month for PECG's 33rd Annual Legislative Day and Reception in the State Capitol. During the day, PECG leaders met with 96 State Senators, Assembly Members, and their staff in their Capitol offices. In the evening, they were joined by numerous state officials for a reception under the Capitol Rotunda to make and renew acquaintances in a more informal setting.



Government Operations Agency Secretary **Marybel Batjer**, stops by to visit with PECG at the Legislative Reception.



Assembly Member **Tim Grayson** (center) with PECG's **Mehrdad Nabizadeh** and **Mah-Mood Sultan**.



Assembly Member **Marc Berman** (center) and CalPERS Vice President **Henry Jones** (second from right), take a selfie with PECG leaders.



Assembly Member **Bill Quirk** (center) shares a laugh with PECG member constituents.



State Controller **Betty Yee** (fourth from left) takes a moment with PECG President **Sutida Bergquist** (center) and several of our PECG leaders.

PECG LEGISLATIVE PRIORITIES FOR 2018

Implementing SB 1 Efficiently and Cost-Effectively

PECG strongly supported SB 1, the transportation funding plan approved last year to provide stable, ongoing funding to repair and replace California's deteriorating state highways and bridges, and other transportation infrastructure.

To ensure that SB 1 commitments are met and that new resources are spent wisely the state must:

CT must hire engineers to deliver SB 1 projects.

Hire Engineering Staff. The Department of Transportation must hire the engineers and related professionals needed to deliver the billions of dollars of new state highway projects funded by SB 1. Unfortunately, fewer engineers work at Caltrans today than were on the job the day SB 1 passed. The department must dedicate itself to an effective hiring plan (as authorized in SB 1) to deliver the projects Californians expect and deserve.

Stop Outsourcing – It Costs Twice as Much!

Caltrans currently wastes over \$100 million each year by awarding no-bid contracts to outsource nearly 1,000 engineering positions to consultants at twice the cost of using state engineers to perform the work. Other state departments and agencies also continue to reduce or limit state engineering positions while outsourcing. This wasteful practice must end.

Stop outsourcing at twice the cost!

Meeting Pension Commitments

A defined benefit pension is a key component of the total compensation package that allows the state to attract and retain engineers and related professionals, many of whom could make much more in the private sector. The state and other public employers have an obligation to keep their pension promises.

PECG has a proven record of working to stabilize the CalPERS system. In recent years, PECG has agreed to significantly increase the pension contributions of its members, to equalize employee and employer contributions, and to increase retirement ages and reduce benefits for new hires. These changes became the model for PEPPRA, the sweeping statewide pension reform measure approved in 2012 that will save the state \$42 to \$55 billion over the next 30 years and save billions more for local pension systems.

PECG is dedicated to the sustainability of the CalPERS system, but believes any discussion to meet that objective should be free of the suggestion that the state can and should step away from its commitments to its employees.

The state has an obligation to keep its pension promise!

Safe, Reliable, and Cost-Effective Water Supply

PECG is supporting two budget proposals to ensure that Californians have a safe, reliable and cost-effective water supply:

Safe and Affordable Drinking Water Fund (SADWF).

The SWRCB has identified 331 public water systems that do not meet minimum federal and state drinking water standards. As a result, over one million Californians do not have access to safe drinking water, as required by state law. PECG strongly supports the creation of the SADWF to dedicate funding and staffing so every community has access to safe and affordable drinking water.



Every Californian deserves safe, clean water!

Safe, Well-Maintained State Water Project (SWP).

California must commit sufficient resources and staff to inspect and maintain the SWP on behalf of the 25 million Californians and hundreds of thousands of acres of farmland that depend on it. PECG strongly supports the governor's proposal to hire an additional 74 engineers and related professionals (funded by the state water contractors) committed to the safety and long-term viability of the SWP.

Engineering California's Future

Designing Projects for Today ... and Generations to Come.

Transportation
Hospitals
Schools
Energy
Water



PECG

The Professional Engineers in California Government (PECG) provides representation on employment and professional issues for 13,000 state-employed engineers, architects, engineering geologists, landscape architects, land surveyors, and related professionals.

PECG Members — Cost-Effective, Timely, Quality Engineering and Related Services

PECG members design and inspect California's infrastructure, improve air and water quality, and develop clean energy and green technology – for today and generations to come.

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JIM BEALL – PECG’S CO-LEGISLATOR OF THE YEAR

Last year’s Senate Bill 1 authorized \$5.2 billion of additional funding each year to repair California’s transportation infrastructure. This earned the author, Senate Transportation Chair Jim Beall, and his counterpart, Assembly Transportation Chair Jim Frazier, the 2017 PECG Legislators of the Year award. Senator Beall received his award from PECG’s current and past Presidents in his Capitol Office on Legislative Day.



GOVERNOR BROWN AND PECG SUPPORT EDUCATION

The Oakland Military Institute provides a rigorous college prep program to students who come from economically challenged environments. PECG leaders joined with Governor Brown in supporting the Institute at its annual benefit luncheon in February.

