



INFORMER

#9, September 2013

Professional Engineers in California Government



Your New Unit 9 Memorandum of Understanding (MOU)



Your PEGC Bargaining Team and CalHR, representing the Governor, have reached agreement on a new Memorandum of Understanding (MOU) or contract for Unit 9 employees. The previous 2011-13 MOU which ran through July 1, 2013 remained in effect while negotiations continued on this new agreement, which began on July 2, 2013 and will end **two years** later on July 1, 2015.

The agreement is subject to approval by the Legislature and by the PEGC members in Unit 9. This *Informer* explains the main provisions of the new agreement. Ratification meetings will be held throughout the state in the various PEGC Sections to further explain the contract and answer questions from members before you vote. Your PEGC Bargaining Team recommends approval (ratification) of the MOU but that final decision is up to the PEGC members in Unit 9. (If you are a fee payer in Unit 9 but are not a member, you can join PEGC by filling out a membership application online on the PEGC website at www.pecg.org and your ratification vote will be counted.)

The actual contract wording of the agreement can be found on the PEGC website at www.pecg.org.

SALARIES



All Unit 9 employees will receive a **3.3% salary increase** on July 1, 2015, the last day of the two-year contract.

Beginning with the 2003-08 MOU, the salaries of Unit 9 employees were based on "pay parity" meaning they would be paid the same weighted average salaries as their counterparts in local agencies in California, based on a joint survey conducted by CalHR and PEGC. Initially, in 2005 through 2008, this resulted in substantial pay increases because the salary lag had grown during the years of the Wilson Administration. In 2008, parity or equality was achieved.

Since that time, the joint survey has shown that local agencies have not granted substantial pay increases during the recession. On the contrary, in the five years since July 2008, the lag only increased by 4.4% to 5.2%, with an average top step lag for all Unit 9 employees of 4.65%. The 3% salary increase in July of this year to offset the increased PERS contribution resulted in a current lag of 1.65%. Thus, the 3.3% increase is equal to two years of the current salary lag.

As is the case with other state Bargaining Units, raises are being delayed in order to avoid impact on the current fiscal year budget. The joint salary survey will continue and PEGC and CalHR will return to the bargaining table in the spring of 2015 to again negotiate a new MOU.

MOUs for some other bargaining units are for three or more years. The average 1.65% per year salary increase in this contract is slightly higher than the average increase in other non-law enforcement contracts this year, which contained general salary increases ranging from 1% to 1.62% per year.

OTHER ECONOMIC ITEMS



The **shift differential** will be doubled from the current 40 cents/50 cents per hour to 80 cents/\$1.00 per hour, effective July 2015.

Most Unit 9 employees are included in **Deep Classes** which provide automatic movement upward without requiring promotional exams or position availability. This has not been the case for **Sanitary Engineers** and the **Civil Engineer** series so the parties have agreed to implement Deep Classes for those employees. This will affect about 140 employees. Discussions will continue on a Deep Class for the **Architect** series, which has been delayed due to departmental opposition.

More than 100 engineers in the Department of Water Resources (**DWR**) will receive an **Operational Availability** incentive for meeting operational goals. Affected employees will receive an additional 40 or 80 hours of CTO per year, again beginning in 2015.

If a department has funds available, employees will be permitted to **cash out** up to 20 hours of **vacation** or annual leave each year.

The state has reimbursed "application fees" for **licensing exams** but some departments have questioned whether to reimburse employees if different terminology is used, such as an exam fee. The new MOU provides that reimbursement will be provided for "all fees and charges required to apply for and participate" upon successful completion of any of the exams listed in MOU Section 3.3. Reimbursement for renewal fees shall continue.

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YOUR NEW UNIT 9 MOU, *continued from page 1*

The state's 85%/80% contribution to **health plan** premiums, the best percentage in any state Bargaining Unit, will continue, along with fully paid **vision** and 75% of the premium for **dental** coverage. In addition, employees will now be permitted to participate in the premier **enhanced vision** plan (for an increased employee paid premium).

The **Rural Healthcare** Equity Subsidy program ended several years ago because the Legislature did not continue to provide funding. The previous MOU (Section 4.12) provided that the parties would meet and confer if the program is reestablished. The new contract says if the program is reestablished and funded, funding will be provided to eligible Unit 9 employees.

The increased **meal and lodging** reimbursements described in *Informer* #8 are now included in the new contract. As described earlier, in July and August the reimbursement amounts were slightly different than for September forward. Go to the PEGC website for details.

Unlike other Bargaining Units which had not reached agreement on a new contract, the increased expense reimbursement was provided to Unit 9 employees because of a section in the previous MOU (2.1.c) which provides that if other Bargaining Units receive increases on certain items, the same will be provided to Unit 9 employees. That provision, which is not included in MOUs for other bargaining units, continues in the new agreement.

TIME OFF



Other than the additional CTO for some DWR employees, there is little change in this area. A "reasonable" amount of time off to **donate blood** will now be authorized. The new MOU specifies that there will **not be furloughs** or a mandated personal leave program during the term of the contract. However, employees who wish to participate in a **voluntary** personal leave program will be allowed to do so. They will receive eight hours credit for time off in return for a 4.62% pay reduction.

POLICIES



Receiving authorization for **alternate work schedules** (MOU Section 8.5) has been an ongoing problem, particularly since the end of furloughs. The previous MOU contained a number of required justifications for such schedules to be considered. The new contract eliminates those justifications, and specifies a request "shall not be unreasonably denied or cancelled". Any cancellation of an alternate work schedule "will be based on operational needs" with the reasons provided "in writing".

There was a similar problem regarding **telecommuting**, with justifications and complete management discretion. The new contract eliminates those justifications and says "where operational considerations permit, a department shall establish a telecommute program". Further, "no request shall be unreasonably denied" and the reason for any denial shall be "in writing".

Involuntary transfers have increasingly become a problem in Unit 9 and elsewhere. The new contract states "the state shall make reasonable efforts to avoid involuntary transfers".

On the flipside, **hardship transfers** have not been included in the MOU. There will be a new section which provides that the state "shall endeavor to reassign" an employee with a hardship "in the requested geographical area." If it requires movement to a lower classification, the state shall "endeavor to reinstate" the employee.

Finally, there has been a concern about multiyear agreements, particularly when the economic provisions occur toward the end of the contract, regarding whether the Legislature will appropriate the funds each year to pay for those provisions. The new MOU states: "The State agrees to **continuously appropriate funds** to cover the economic terms of this agreement through the term of this agreement."

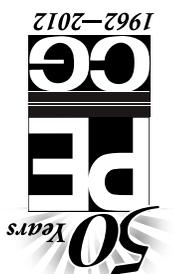
Those are the major elements of the new two-year MOU. As noted above, ratification meetings will be held in each Section in the coming weeks.

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