




Berkeley Housing Authority

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Office of the Executive Director

Item 6B
NEW BUSINESS
February 13, 2014

To: Honorable Chairperson and
Members of the Berkeley Housing Authority

From:  Tia M. Ingram, Executive Director

Subject: Ratification of Labor Contracts: Public Employees Union Local One and
SEIU Local 1021

RECOMMENDATION

That the Board adopt two Resolutions: approving a two-year Memorandum of Understanding with the Public Employees Union Local One (hereinafter referred to as "Local One"), and a two-year Memorandum of Understanding with SEIU Local 1021, with a term of June 25, 2012 through July 31, 2014.

BACKGROUND

Berkeley Housing Authority (BHA), with a staff of 14, is party to two separate and distinct labor contracts. One with Local One for the two management positions (Finance Manager, Property Manager) and one with SEIU Local 1021 for ten employees including all BHA employees not represented by Local One, except the Executive Assistant (a confidential, unrepresented employee).

Because of the relatively small staff, BHA has historically been a signatory to contracts the City negotiated with Local One and SEIU 1021. BHA remained a signatory to the City's contract with Local One in 2008, but executed a separate contract with SEIU. The City has now ceased to perform/provide Human Relations services on behalf of BHA employees. Thus, BHA negotiated the new contract with Local One directly.

The labor contracts with Local One and SEIU 1021 expired and were fully terminated as of June 24, 2012. While the labor contracts expired and fully terminated on June 24, 2012, the laws governing collective bargaining agreements provide that the terms and conditions set forth in the expired contracts remain in full force and effect until modified through the collective bargaining process.

STATUS

The direction from the Board of Commissioners was to present a budget that reduced salary expense by 10%. It is within this frame work that BHA Executive Director and James Diamond, Attorney, Goldfarb and Lipman negotiated with both unions, beginning in March 2012.

The Authority's negotiating team and the SEIU and Local One bargaining units reached an agreement on a Memorandum of Understanding (MOU) for two years. The attached agreements were ratified by SEIU members on October 9, 2013, and Local One members on October 10, 2013. The terms fall within the negotiating economic parameters of the Board. Major economic provisions of the contract include:

1. A salary freeze; no Cost-of-Living-Adjustment (COLA);
2. No change in benefits for employees hired before January 1, 2013 (i.e. no employee contribution to medical or retirement plans);
3. 5 non-paid furlough days (the Authority was closed between Christmas 2013 and New Year's 2014);
4. Expanded options for "gym" membership as an incentive to maintaining good health (no increase in cost);
5. Revision (corrections) to the contract documents, primarily to correct references to the City and/or City officials or departments;
6. Implementation of mandated changes in CalPERS regulations for employees hired on or after January 1, 2013; and
7. A term of June 24, 2012 through July 31, 2014.

STATUS

The Contracts presented for approval reflect the new terms agreed upon during negotiations, BHA's independence from the City, and changes in the public employee retirement system. The resulting contracts are acceptable to all parties, with the understanding that a more comprehensive revision will take place next year – including reconciling the two contracts and organizing the documents such that one can easily identify the policy under discussion in other contract.

FISCAL IMPACTS OF RECOMMENDATION

\$180,812 total reduction in salary expense (approximately 11% of salary expense) [5-non paid furlough days results in salary savings of \$25,000 for the fiscal year; the decision to not fill the Housing Occupancy Manager position in Fiscal Year 2013-14 results in an additional savings of \$127,000].

CONTACT PERSONS

James Diamond, Attorney, Goldfarb and Lipman, LLC
Tia M. Ingram, BHA Executive Director, 981-5471

Attachments:

1. Resolution: Approving a new two-year Memorandum of Understanding: Public Employees Union Local One
2. Resolution: Approving a new two-year Memorandum of Understanding: SEIU Local 1021

BERKELEY HOUSING AUTHORITY
RESOLUTION NO. 14-_____

BERKELEY HOUSING AUTHORITY AND
PUBLIC EMPLOYEES UNION LOCAL ONE

WHEREAS, the Authority is obligated under the provisions of California Government Code Section 3500-3510, commonly referred to as the Meyers-Milias-Brown Act, to meet and confer in good faith and attempt to reach agreement with representatives of recognized bargaining units on matters within the scope of representation including, but not limited to, wages, hours and other terms and conditions of employment; and

WHEREAS, representatives of the Authority and Public Employees Union Local One have met and conferred in good faith and have reached agreement on a new Memorandum of Understanding that incorporates all changes and modifications in wages, hours and other terms and conditions of employment agreed to by the parties.

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Berkeley Housing Authority hereby authorizes the Executive Director to execute the new Memorandum of Understanding for the period June 24, 2012 through July 31, 2014 (Exhibit A);

BE IT FURTHER RESOLVED that the Board of Commissioners acknowledges the key economic provisions in the contract including:

1. A salary freeze; no Cost-of-Living-Adjustment (COLA);
2. No change in benefits for employees hired before January 1, 2013 (i.e. no employee contribution to medical or retirement plans);
3. 5 non-paid furlough days (the Authority was closed between Christmas 2013 and New Years' Day 2014);
4. Expanded options for "gym" membership as an incentive to maintaining good health;
5. Revision (corrections) to the contract documents, primarily to correct references to the City and/or City officials or departments; and
6. Implementation of mandated changes in CalPERS regulations for employees hired on or after January 1, 2013.

FURTHER RESOLVED, that the term of the contract shall be June 24, 2012 through July 31, 2014;

FURTHER RESOLVED, that the Memorandum of Understanding (MOU) has been modified to reflect the current provisions, but may contain additional language that is not correct, but is not material to the agreement;

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized to execute and implement said Memorandum of Understanding including all changes in wages, hours, and other terms and conditions of employment. A fully executed original of said contact will be filed in the Berkeley Housing Authority Office.

The foregoing Resolution was adopted by the Board of the Berkeley Housing Authority on February 13, 2014 by the following vote:

Ayes:

Noes:

Absent:

Attest: _____
Tia M. Ingram, Secretary