



COUNTY ADMINISTRATOR
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TO: Barbara Levin Bergman
Chair, Ways & Means Committee

THROUGH: Robert E. Guenzel
County Administrator

FROM: Diane M. Heidt
Human Resources / Labor Relations Director

DATE: May 7, 2008

SUBJECT: Tentative Agreement – Michigan Nurses Association – Unit II

BOARD ACTION REQUESTED:

The Negotiating Team recommends approval of the Resolution approving the Union ratified agreement with Michigan Nurses Association – Unit II.

BACKGROUND:

Beginning in February 2007, Administration and Human Resources / Labor Relations brought to the Board of Commissioners an overview of the collective bargaining process, including the status and process for negotiations with those labor union contracts which were set to expire 12/31/2007. On April 4, 2007, May 25, 2007, June 13, 2007, and on September 20, 2007, the Washtenaw County Board of Commissioners provided their approval of a recommended strategy for negotiations. Small group discussions subsequently held with the Board of Commissioners to further discuss and analyze economic parameters.

The vision for the process has been “To create a product and process that both the union and management are satisfied with.” The guiding principles that were followed include:

- Partnership
 - Purpose
 - Right to say “No” ... ensure that everyone is heard
 - Honesty (full disclosure)
 - Accountability
- Engagement – Communication
- Fit with the 10-year Financial Projections
- Even Application of Policy
- Employee Morale (openness & communication)
- Professional Approach (respect & trust)

- Measures of Success / Checkpoints
- Communication (engagement & employee morale)

Further, the County and the Unions engaged in Interest-Based Bargaining (IBB), which is a process that provides the following structure for communication and understanding:

- Identify Issues (problem to be solved)
- Focus on Interests, not Positions (needs and concerns underlying the issues)
- Identify Options (alternatives)
- Look at Standards (Time, \$\$\$, Legality)

It is clear that the IBB process assisted both parties in building trust, through full-disclosure, and enhancing communication to reach the settlements in the professional manner and timeframe that had been determined.

The collective bargaining agreement with the Michigan Nurses Association – Unit II, expired December 31, 2007. The bargaining unit consists of a Nurse Supervisor *and* Nurse Supervisor / Practitioner within the Public Health Department.

The Union has ratified an agreement.

DISCUSSION:

The terms and conditions of the ratified agreement are set forth in the attachment to the Resolution. The highlights are as follows:

LENGTH OF CONTRACT

2008 – 2010

WAGES

2008	0%
1/1/2009	.5%
1/1/2010	1.5%
7/1/2010	1.5%

CLASSIFICATIONS – Effective 1/1/08

Develop a new salary for Grades 78-81. Removing Step 1 and adding a new Step 8 for each grade. The new Step 8 shall be calculated as 4% (reclassification rate) over the existing Step 8 amount.

HEALTHCARE

Active Healthcare –Effective 1/1/09

CORE plan for existing employees will be Community Blue PPO1 with \$0/\$30 prescriptions

CORE plan for employees hired 1/1/09 and beyond will be tiered as follows:

First 3 years of employment	Community Blue PPO10
Years 4-7 of employment	Community Blue PPO2

Years 8+ of employment Community Blue PPO1

Mail Order Mandatory for Maintenance Drugs providing a 1-month co-pay for 3-month supply

Remove Delta Dental affiliation from collective bargaining agreement

Prescription Drugs will be carved out with a 3rd party Prescription Benefit Manager

Retiree Healthcare – for employees hired 1/1/09 and thereafter

Tiered retiree healthcare eligibility / premium share commensurate with years of services. For each year of service, employees shall be credited with 5% employer contribution toward retiree healthcare

PENSION

All employees will move to the WCERS defined benefit plan effective 1/1/09 with the following parameters:

- FAC3
- 2.0 multiplier
- Vesting of 8 years

Upon movement to the defined benefit plan, all MPPP account balances shall be transferred to the WCERS system. As such, existing employees will transfer to WCERS with their current years of service for credit worked at Washtenaw County.

Effective 1/1/09, all employees will contribute 7.5% to the WCERS plan with a shared liability of up to a 10% cap. Effective 1/1/09, the employer shall contribute 7.5% to the WCERS plan with a shared liability of up to a 10% cap. The employer shall assume the first 2.5% increase up to the 10% cap. If additional contributions are required by employees, a minimum of 4-months notice is required. If contributions are reduced below 7.5%, the parties shall negotiate the adjustments.

Effective for employees hired 1/1/09 and thereafter, implement the Rule of 75 with a minimum age of 55.

Effective BOC approval – 12/31/08, reduce the employer contribution to the MPPP by 4.5%.

Effective 4/1/08, increase current WCERS employee contributions to 6% and implement FAC3 for current WCERS employees.

Increase WCERS death benefit to \$7,500.

Effective 7/1/08, modify the WCERS Board Structure as follows:

- County Administrator or his/her designee
- Finance Director
- Two (2) Board of Commissioners
- Two (2) Union Employees
- One (1) Employee At-Large

Employee Representatives would be three (3) years staggered terms. Labor Management Team would appoint the first board, staggering the appointments to agree with staggered terms. Regular elections would occur thereafter.

Retiree Healthcare Contributions (VEBA) – Effective 1/1/2010

Employees would begin contributing 0.5% toward retiree healthcare with a sunset at 12/31/2010. Employee contributions for VEBA / Retiree Healthcare are held in a trust separate from the official VEBA trust for retiree healthcare use ONLY. At such time the employee retirees, his/her contributions and interest shall be officially deposited in the VEBA trust.

LONGEVITY – Effective for employees hired 1/1/09 and thereafter

<u>Years of Service</u>	<u>% Longevity</u>
8-11	3
12-15	4
16-19	5
20+	6

HOLIDAY – Effective 4/1/08

Remove ½ day for Good Friday in exchange for full day off at Christmas Eve and New Year's Eve when they fall between Monday and Friday.

TUITION REIMBURSEMENT

Decrease to 25% reimbursement for a 12-month period effective 9/1/08 – 8/31/09. All other tuition reimbursement language remains status quo.

ME TOO

Washtenaw County is obligated to negotiate in good faith with all collective bargaining units under its employ. As such, tradeoffs of wages and benefits may be discussed and agreed to with other such units as part of the collective bargaining process, and to meet the interest of such groups.

In the event that another employee group within this employer receives a contractual net gain (wages/benefits), parity shall be provided to the Michigan Nurses Association – Unit II.

The retirement contribution increases to 7.5% for the defined benefit total are excluded from this Me Too provision. ***The “me too” does not apply to comparison with the Sheriff’s Department.***

LAYOFF & INSURANCE

In the event an employee of the Michigan Nurses Association – Unit II is laid off during the life of this contract and is not eligible for health care elsewhere, the employee shall be provided with health care benefits in accordance with the following schedule, with a sunset of 12/31/2010:

Years of Service # of Months of Insurance Period:

0-5 Years	3 months
6-10 Years	5 months
11+ years	6 months

NON-ECONOMIC MATTERS

Article 1 – Recognition, Security and Dues

Section 5 – remove membership application

Article 3 – Grievance Procedure, Strikes, Stoppages and Lockouts

Housekeeping

Article 4 – Discipline & Discharge

Section C – A member who receives a disciplinary action which is either a suspension or discharge will be able to file a grievance as the third stage of the grievance procedure. Also include language in grievance procedure.

Article 11 – Funeral Leave (Change to Bereavement Leave)

An employee shall be allowed five (5) working days with pay, as bereavement leave days, not to be deducted from sick or annual leave, for the death in the immediate family. The following are defined as immediate family: spouse, parent, brother or sister, child, step-child, mother in law, father in law, sister in law and brother in law. An employee shall be allowed three (3) working days with pay as bereavement days, not to be deducted from sick or annual leave, in the event of death of the following family members: Aunts, uncles, nieces, nephews, grandparents, spouse's grandparents, or someone with whom the employee has a legal relationship or a related member in an employee's household and all such relatives of one's spouse, and a declared significant other. Also, parents and grandparents of employee's minor children including children of divorced parents or where the child's parents are not legally married.

All other provisions of the collective bargaining agreement apply.

IMPACT ON HUMAN RESOURCES:

The change in classifications is within guidelines of the factoring system.

IMPACT ON BUDGET:

The wage adjustments and other benefit modifications have been considered as part of the budget.

IMPACT ON INDIRECT COSTS:

None

IMPACT ON OTHER COUNTY DEPARTMENTS OR OUTSIDE AGENCIES:

None

CONFORMITY TO COUNTY POLICIES:

Proposed tentative agreement conforms to County policies.

A RESOLUTION APPROVING THE AGREEMENT WITH MICHIGAN NURSES ASSOCIATION – UNIT II AND WASHTENAW COUNTY FOR THE THREE YEAR PERIOD JANUARY 1, 2008 THROUGH DECEMBER 31, 2010

WASHTENAW COUNTY BOARD OF COMMISSIONERS

May 21, 2008

WHEREAS, beginning in February, 2007, Administration and Human Resources / Labor Relations brought to the Board of Commissioners an overview of the collective bargaining process, including the status and process for negotiations with those labor union contracts which were set to expire 12/31/2007; and

WHEREAS, on April 4, 2007, May 25, 2007, June 13, 2007, and on September 20, 2007, the Washtenaw County Board of Commissioners provided their approval of a recommended strategy for negotiations. Small group discussions subsequently held with the Board of Commissioners to further discuss and analyze economic parameters; and

WHEREAS, the vision for the process has been “To create a product and process that both the union and management are satisfied with.”; and

WHEREAS, the guiding principles that were followed include partnership, engagement, fit with the 10-year financial projections, even application of policy, employee morale, professional approach, measures of success / checkpoints, and communication; and

WHEREAS, the County and the Unions engaged in Interest-Based Bargaining (IBB), which is a process that provides a structure for communication and understanding between the parties; and

WHEREAS, it is clear that the IBB process assisted both parties in building trust, through full-disclosure, and enhancing communication to reach the settlements in the professional manner and timeframe that had been determined; and

WHEREAS, the collective bargaining agreement with Michigan Nurses Association – Unit I, expired December 31, 2007; and

WHEREAS, the Union has ratified an agreement; and

WHEREAS, this matter has been reviewed by Corporation Counsel, the Finance Department, Human Resources, the County Administrator’s Office, and the Ways and Means Committee.

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby approves the agreement with Michigan Nurses Association – Unit II and Washtenaw County for the period January 1, 2008 through December 31, 2010 as attached hereto and made a part hereof.

BE IT FURTHER RESOLVED that the Labor Relations Manager is authorized to draft a new collective bargaining agreement to be presented and signed by the Washtenaw County Board of Commissioners.

TENTATIVE AGREEMENT

Washtenaw County & Michigan Nurses Association – Unit II

LENGTH OF CONTRACT

2008 – 2010

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LAYOFF & INSURANCE

In the event an employee of the Michigan Nurses Association – Unit II is laid off during the life of this contract and is not eligible for health care elsewhere, the employee shall be provided with health care benefits in accordance with the following schedule, with a sunset of 12/31/2010:

<u>Years of Service</u>	<u># of Months of Insurance Period:</u>
0-5 Years	3 months
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NON-ECONOMIC MATTERS

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All other provisions of the collective bargaining agreement apply.