



May 5, 2022

**TO:** LOCSD Board of Directors  
**FROM:** Ron Munds, General Manager

**SUBJECT: Agenda Item 7J – 05/205/2022 Board Meeting**  
Approve the Side-Letter to the Memorandum of Understanding between the Los Osos Community Services District and San Luis Obispo County Employees' Association for the "Economic Issues" for Miscellaneous Employees Bargaining Unit through June 30, 2024

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**DESCRIPTION**

Approval of the Side-Letter to the Memorandum of Understanding (MOU) between a Los Osos Community Services District (District) and the San Luis Obispo County Employees' Association (SLOCEA) for "economic issues" for the Miscellaneous Employees Bargaining Unit through June 30, 2024.

**STAFF RECOMMENDATION**

This item will be approved along with the Consent Calendar unless it is pulled by a Director for separate consideration. If so, Staff recommends that the Board adopt the following motion:

***Motion: I move that the Board approve a Side-Letter to the MOU between the District and SLOCEA for the Miscellaneous Employees Bargaining Unit through June 30, 2024 and authorize the General Manager to sign and implement the Side-Letter to the MOU.***

**DISCUSSION**

The current MOU with SLOCEA is set to expire on June 30, 2022. Staff has been in negotiations with SLOCEA to reach an agreement on issues that have direct budget impacts (economic issues), i.e. wages, health insurance, etc., in order to complete the Fiscal Year (FY) 2022-23 budget by June 2, 2022, the tentative date for the budget adoption. Based on the general direction provided by the Board on April 7, 2022, staff and SLOCEA have agreed to the changes presented in the Side Letter Agreement to the MOU attached to this report.

The highlights of the agreement are as follows:

- MOU Section 7.1 "WAGES":
  - a) 5.25% COLA effective the pay period that includes July 1, 2022
  - b) 5.25% COLA effective the pay period that includes July 1, 2023
  
- MOU Section 13.5 b):

Employees with more than fourteen (14) years of service can exchange five days or forty hours of sick leave for forty hours of vacation under certain conditions.
  
- MOU Section 9.2 CalPERS Health Insurance:

Employees who opt out of Cal PERS Medical shall receive seven hundred twenty-five dollars (\$725) (increase from \$625).

- MOU Section 19 “Standby Pay”

Effective the pay period that includes July 1, 2022, the standby duty rate shall increase to four dollars and twenty-five cents (\$4.25) per hour (increase from \$3.25).

- MOU Section 27.3 Execution of the COLA effective July 1, 2023, is contingent on the completion of a salary survey by June 30, 2023, of the positions/classifications covered by this MOU (see MOU for details of the survey).

The District has agreed to continue negotiations on “non-economic” issues such as annual performance evaluation format. The outcome of these negotiations will be brought back to the Board once completed for approval of the entire MOU.

**Financial Impact**

The following is the fiscal impact of the recommended action by fund.

<b>Summary of Financial Impact for the New SLOCEA MOU</b>	
<b>Fund</b>	<b>Estimated Cost</b>
100	\$3,100
500	\$49,870
800	\$2,000

**Attachment**

Side Letter Agreement to the MOU between District and SLOCEA

**SIDE LETTER AGREEMENT**  
to the  
**MEMORANDUM OF UNDERSTANDING**  
between  
**LOS OSOS COMMUNITY SERVICES DISTRICT**  
and  
**SAN LUIS OBSIPO COUNTY EMPLOYEES' ASSOCIATION**  
for the  
**MISCELLANEOUS EMPLOYEE BARGAINING UNIT**  
**July 1, 2022 - June 30, 2024**

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The parties hereto agree to implement their partial agreement on economic issues as specified below. The parties further agree to continue the negotiation process until an overall agreement has been reached on the other noneconomic issues, which may be proposed by the parties during the remainder of the negotiating process.

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MOU Section 2:

The District and the Association agree that the term of this Agreement commences on July 1, 2022, and expires on June 30, 2024, with the option of a one-year (1) extension at the election of both parties.

MOU Section 7.1 "WAGES":

The parties agree to the following Cost of Living Adjustments (COLA) which will revise the rates currently in effect as shown in the District salary schedule in effect as of the date of this agreement which is July 1, 2022 (Attachment "A"):

- a) 5.25% COLA effective the pay period that includes July 1, 2022
- b) 5.25% COLA effective the pay period that includes July 1, 2023

13.5 a) Employees who have more than eight (8) years of service (or part time equivalent) with the District as a Regular Employee shall be entitled to exchange two (2) days or sixteen (16) hours of sick leave for one (1) day or eight (8) hours of vacation time. The maximum amount of time that can be exchanged during a calendar year shall be ten (10) days or eighty (80) sick leave hours for five (5) days or forty (40) vacation hours. For purposes of this exchange employees must maintain a minimum balance of forty-five (45) days or three hundred sixty (360) hours of sick leave and shall only be permitted to exchange those sick leave days or hours over the required forty-five (45) day or three hundred and sixty (360) hours sick leave balance.

- b) Employees who have more than fourteen (14) years of service (or part time equivalent) with the District as a Regular Employee shall be entitled to exchange up to five (5) days or forty hours (40) hours of sick leave for five (5) days or forty (40) hours of vacation time.

The maximum amount of time that can be exchanged during a calendar year shall be five (5) days or forty (40) hours sick leave for five (5) days or forty (40) vacation hours. For purposes of this exchange, employees must maintain a minimum balance of thirty (30) days or two hundred forty (240) hours of sick leave and shall only be permitted to exchange those sick leave days or hours over the required thirty (30) days or two hundred and forty (240) hours sick leave balance.

## 9.2 CalPERS Health Insurance

9.4 (d) Employees who opt out of Cal PERS Medical shall receive seven hundred twenty-five dollars \$725.

## MOU Section 19 "Standby Duty"

19.2.1 Effective the pay period that includes July 1, 2022, the standby duty rate shall increase to four dollars and twenty-five cents \$4.25 per hour.

27.3 Execution of the COLA effective July 1, 2023, is contingent on the completion of a salary survey by June 30, 2023, of the positions/classifications covered by this MOU.

- a) The parties will jointly select comparator agencies and other compensation parameters to be used in the survey.
- b) The results of the survey will act as a baseline for future wage negotiations for a successor to the 2022-2024 MOU.
- c) Unforeseen delays in the completion of the wage survey, which are beyond the control of the parties, shall not be the basis for delaying the implementation of the July 1, 2023, COLA. The parties agree to work cooperatively to ensure that the wage survey is completed by the June 30, 2023, deadline.
- d) SLOCEA and the District will share equally in the cost of the Market Compensation Study.

Subject to ratification by the bargaining unit membership and approval by the LOCS D Board of Directors, this side letter agreement was entered into on this 18 day of April, 2022.

For LOCS D

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Ron Munds, General Manager

For SLOCEA



Theresa Schultz, Senior Labor Rep  
for Pat McNamara, General Manager