

Resolution No.: 16-958
Introduced: May 13, 2009
Adopted: May 13, 2009

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Management and Fiscal Policy Committee

SUBJECT: Collective Bargaining Agreement with Municipal & County Government
Employees Organization

Background

1. Section 511 of the County Charter authorizes the County Council to provide by law for collective bargaining, with arbitration or other impasse resolution procedures, with authorized representatives of County Government employees.
2. Chapter 33, Article VII of the County Code implements Section 511 of the Charter and provides for collective bargaining by the County Executive with the certified representatives of County employees and for review of the resulting contract by the County Council.
3. The Executive and UFCW Local 1994, Municipal & County Government Employees Organization, have agreed on amendments to the existing contract for the 3-year period beginning July 1, 2007. Those amendments are attached to this resolution.
4. The Executive has submitted to the Council the terms and conditions of the collective bargaining agreement amendments that require or may require an appropriation of funds or changes in any County law or regulation.
5. The Management and Fiscal Policy Committee considered the amendments at worksessions on April 20, April 23, and May 8, 2009 and recommended approval of all provisions except the amendments to Article 41.9. The Committee recommended deferring a decision on Article 41.9 until the Committee and Council further review Bill 10-09, the implementing legislation submitted under that Article.
6. The County Council has considered these terms and conditions and is required by law to indicate on or before May 15 its intention regarding the appropriation of funds or any legislation or regulations required to implement the agreements.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

The County Council intends to appropriate the funds and approve the changes in law or regulations necessary to implement the amendments to the County employees bargaining unit collective bargaining agreement, except Article 41.9, as specified in the Memorandum of Agreement attached to this Resolution, for the period July 1, 2007 through June 30, 2010. The Council will defer a decision on Article 41.9 until the Council further reviews Bill 10-09, the implementing legislation submitted under that Article.

This is a correct copy of Council action.



Linda M. Lauer, Clerk of the Council

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE MONTGOMERY COUNTY GOVERNMENT
AND THE
MUNICIPAL & COUNTY GOVERNMENT EMPLOYEES ORGANIZATION
UNITED FOOD & COMMERCIAL WORKERS, LOCAL 1994

This memorandum of understanding between the Montgomery County Government and the Municipal & County Government Employees, UFCW Local 1994, is intended to memorialize the concession agreement reached during direct negotiations in January 2009.

Please use the key below when reading this regulation:

- Boldface** *Heading or defined term.*
- Underlining *Added to existing regulation by proposed regulation.*
- [Single boldface brackets] *Deleted from existing regulation by proposed regulation.*

The parties agree to amend the contract as follows:

* * *

The parties recognize the economic crisis facing the County, particularly the overwhelming revenue short fall projected for fiscal year 2010. The County is calling on all of its employees to come together to deal with this grave situation. It is in this context that the parties have agreed to these amendments to the Collective Bargaining agreement for fiscal year 2010. The County intends to require similar financial sacrifices from all employees in fiscal year 2010.

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ARTICLE 5 – WAGES, SALARY AND EMPLOYEE COMPENSATION

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5.2 Wages

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- (c) Effective the first full pay period following July 1, 2009, each unit member shall receive a 4.5 percent increase. Bargaining unit employees shall be paid a base salary pursuant to the uniform pay plan, which appears in Appendix VIIC of this agreement. This General Wage Adjustment shall be postponed and shall not be effective during fiscal year 2010.
- (d) If the County government or MCPS negotiates higher compensation improvements for any of its employee organizations during FY 2010, except for

improvements for any of its employee organizations during FY 2010, except for HOC and MNCPPC, those higher increases will be matched for bargaining unit employees.

- (e) In the event the County's financial condition improves and there are funds in excess of that necessary to maintain the current level of services, then the parties may reopen this agreement to discuss wages.

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ARTICLE 6 – SERVICE INCREMENTS

6.1 Service Increments

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- (c) Bargaining Unit employees shall continue to be eligible for regularly scheduled service increments in FY-2010 under this article.
- (d) All bargaining unit members who are at the top of their salary grade in FY-2010, shall on a one time basis, be credited with sixty (60) hours of compensatory leave on their service increment date. The employee must use the sixty hours as leave.

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ARTICLE 21 – BENEFITS

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21.3 Employee Benefits Committee

- (a) (2) make findings and/or recommendations to the parties regarding changes in employee benefits and cost containment initiatives.

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[21.4 Health Benefit Review for Calendar Years 1998-2000

The Employee Benefits Committee will conduct a review of the County's health, life, and dental benefits plan for calendar years 1998-2000. The Committee review shall include, but not be limited to, the following topics:

- (a) improvements in dental, vision, and prescription benefits at same or lower costs;
- (b) unbundling of dental, health and life benefits;
- (c) Pru-Plus out of network deductible;
- (d) podiatry care;

- (e) coverage of alternative medicine; and
- (f) coverage for employee who live out of state.]

* * *

21.14 (b) The parties agree to jointly establish an interagency labor/management study committee that will review the feasibility of creating an interagency, multi-employer Health Benefits Board of Trustees to assume the administration of the participating agencies' health insurance funds/programs. The joint study committee will also consider all reasonable issues regarding the subject of health benefits cost containment. Membership on the joint study committee will be equally split between union and management representatives. Each participating agency and its unions will be represented by an equal number of participants. The committee will present its report by [July 30, 2005] December 31, 2010.

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ARTICLE 27 – REDUCTION-IN-FORCE

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27.5 Bargaining Unit Job Security

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The County recognizes the bargaining units' support of the County's role in the implementation of the *Personal Responsibilities and Work Opportunities Act* of 1996 and the *Welfare Innovations Act* of 1997. In implementing those acts, the County will comply with the Agreement as well as all federal, State, and County laws, regulations, and policies pertaining to employee displacement and job protections. The County shall make every effort to avoid the layoff of bargaining unit members consistent with Article 27 of this Agreement to include the elimination/reduction of services provided by contractor(s) either employed by an outside vendor or by the county as an individual contractor, regardless of funding source. In addition, the County will continue to use Discontinued Service Retirement as in the past.

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ARTICLE 28 – DISCIPLINARY ACTIONS

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28.6 Investigative Examinations

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(h) Employees shall be notified of their right to representation upon notice that they are subject to investigation.

28.7 Rights of Union Representative During Investigative Examinations

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(e) After a question is asked, the steward can advise the bargaining unit member on how to answer.

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ARTICLE 36 – UNION ACTIVITIES

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36.2 Paid time used under this Article shall be charged to administrative leave. There shall be established an Administrative Leave Bank a maximum of [840] 1000 hours per year for use by SLT Unit Council representatives and a maximum of [1560] 1700 hours per year for OPT Unit Council representatives as defined in this Agreement. Any leave used under this procedure shall be recorded and charged in accordance with procedures agreed upon by the parties. The Union shall make every effort to give as much advance notice as possible. Leave not used in any year shall not be carried over to the next year.

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ARTICLE 41 – RETIREMENT

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41.3 Retirement Committee

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(c) The parties agree that in accordance with the County policy on Boards and Commissions, to submit legislation providing that the representative selected by UFCW Local 1994 and approved by the County Executive to the Board of Investment Trustees shall be designated as an Ex Officio member.

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41.6 The parties agree to jointly submit legislation to the County Council providing that for the purposes of retirement benefit calculation, all bargaining unit members shall be credited at the annual salary amounts as if a 4.5% cost of living adjustment had been paid in FY-2010.

Article 41.9 Retirement Incentive Program II

The County shall submit legislation to establish a one time retirement incentive to accomplish the following:

The County shall offer a one-time retirement incentive to active full time employees who are Group H or Group E participants in the Employees' Retirement System (ERS) and who are within two years of meeting the criteria for normal retirement as follows:

- a. The County shall offer the choice of (a) a one-time lump sum payment of forty thousand dollars (\$40,000) payable from the ERS on August 1, 2009 and eligible for rollover (b) a pension benefit increased by \$3,333.33 for the first twelve months and eligible for rollover or (c) an additional retirement benefit of \$40,000 paid in the elected form of benefit to employees who are eligible for normal retirement as of June 1, 2009 and express by April 1, 2009 to the Office of Human Resources a written intention to retire on June 1, 2009;
- b. The County shall waive the early retirement reduction and offer a choice of (a) a one-time lump sum payment of \$40,000 payable from the ERS and eligible for rollover (b) a pension benefit increased by \$3,333.33 for the first twelve months and eligible for rollover or (c) an additional retirement benefit of \$40,000 paid in the elected form of benefit to employees to employees who are eligible for early retirement and within two years of meeting the criteria eligibility for normal retirement as of June 1, 2009 and express by April 1, 2009 to the Office of Human Resources a written intention to retire on June 1, 2009;
- c. Effective June 1, 2009, increase social security integration multiplier for Group E to 1.65%.

Employees are not eligible if they retire on a discontinued service retirement or a disability retirement. Employees who apply for a disability retirement will not receive any amounts until the disability retirement has been determined.

If more than thirty percent of employees eligible for retirement incentive, by department, express a written intention to the Office of Human Resources to participate in the retirement incentive, the County reserves the right to limit participation by department. Any such limitation shall be based upon actual years of County service.

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ARTICLE 55 – COST EFFICENCY STUDY GROUP

The parties shall establish a study group consisting of the Local 1994 President and two (2) other Union representatives; the Director of OHR and two (2) other employer representatives and the purpose of the group shall include, but not be limited to any of the following:

- (1) Evaluate the service delivery model for each agency/program/department which employ bargaining unit members;
- (2) Evaluate the supervisory/management structure in each agency/program/department which employ bargaining unit member, to include the supervisor to employee ratio;
- (3) Evaluate the technology, equipment, and tools supplied to bargaining unit members to perform their duties and responsibilities;
- (4) Evaluate the County Executive branch’s operating budget to identify potential cost reductions that will not adversely impact same services;
- (5) Evaluate the cost effectiveness of current contracts with outside vendors who perform services that can otherwise be performed by bargaining unit members or via other more cost effective ways;

The study group’s charge shall be to identify potential cost savings and/or productivity/efficiency enhancement/improvements. Any cost savings shall be dedicated to maintaining services. The study group shall have its first meeting no later than July 30, 2009.

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APPENDIX VI – OPT/SLT UNITS – DEPARTMENT OF PUBLIC WORKS AND TRANSPORTATION

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- (c) Fleet Management

- (1) Ten t-shirts to be provided to mechanics, helpers and welders.
- (2) The parties agree to refer the issue of tools/equipment/work space available to all maintenance facilities, including highway depots, to the LMRC.
- (3) The following item is referred to the LMRC:
 - provide power lift carts
- (4) The Heavy Equipment section of Fleet Management Services shall have the 4 day 10 hour workweek available for their shift pick selection that meets the demonstrated operational needs of the section and optimizes schedule flexibility for bargaining unit members.

Summary of Proposed Concession Agreement with MCGEO for FY 2010

No.	Article/ Subject	Summary of change	Requires appropriation of funds	Present or future fiscal impact	Requires legislative change	Consistent with Personnel Regulations	Notes
1.	Preamble	Recognition of the financial crisis facing the County for FY-2010 and the need for amendments to current agreement	No	No	No		
2.	5.2, Wages	4.5% General Wage Adjustment for FY 2010 will be postponed Any increases negotiated with other County employee organizations will be matched for MCGEO employees Reopener allowed if financial situation improves	No	No	No		
3.	6.1, Service Increments	Service increments will be given for FY 2010 as agreed Unit members at top of grade will receive 60 hours of compensatory time on increment date which must be used as leave	Yes	Yes	No		See County Executive's Recommended FY10 Operating Budget -- page 8-5
4.	21.3, Employee Benefits Committee	Committee will also make recommendations for cost containment initiatives	No	No	No		
5.	21.4, Health Benefit Review	Health Benefit Review for 1998-2000 language will be deleted	No	No	No		
6.	21.14(b), Health Benefits Board of Trustees	Committee report date changed to December 31, 2010 from July 30, 2005	No	No	No		
7.	27.5, Bargaining Unit Job Security	County shall eliminate/reduce contractor/vendor services to avoid the layoff of unit members; DSR shall continue	No	No	No		

Summary of Concession Agreement with MCGEO for FY 2010

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No.	Article/ Subject	Summary of change	Requires appropriation of funds	Present or future fiscal impact	Requires legislative change	Consistent with Personnel Regulations	Notes
8.	28.6, Investigative Examinations	Employees will receive notice of right to representation when notified they are subject to an investigation	No	No	No		
9.	28.7, Rights of Union Representative	Union Steward may advise unit member how to answer questions during an investigative examination	No	No	No		
10.	36.2, Union Activities	Administrative Leave Bank will increase to a maximum of 1000 hours per year for SLT Unit Council reps and 1700 hours per year for OPT Unit Council reps	No	Yes	No		See County Executive's Recommended FY10 Operating Budget – page 8-5
11.	41.3, Retirement Committee	Legislation shall be provided by both parties for the UFCW Local 1994 representative to the Board of Investment Trustees to be designated as an Ex Office member	No	No	Yes		
12.	41.6, Retirement	For retirement benefit calculation purposes, unit members will be credited with an annual salary as if the 4.5% GWA has been paid in FY-2010	No	Yes	Yes		See County Executive's Recommended FY10 Operating Budget – page 8-5

Summary of Concession Agreement with MCGEO for FY 2010
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No.	Article/ Subject	Summary of change	Requires appropriation of funds	Present or future fiscal impact	Requires legislative change	Consistent with Personnel Regulations	Notes
13.	41.9 Retirement Incentive Program	<p>One time retirement incentive to active employees in Group H or Group E in the ERS and within 2 years of meeting criteria for a normal retirement</p> <p>Lump Sum of \$40,000, pension benefit increased by \$3,333.33 for first 12 months, or additional retirement benefit of \$40,000 to be paid in the elected form of benefit for employees who are eligible for retirement as of June 1, 2009</p> <p>Waive early retirement reduction with above options for employees who are within two years of meeting retirement criteria</p> <p>Increase social security integration multiplier for Group E to 1.65%</p> <p>Employees retiring on a DSR or disability retirement are not eligible.</p> <p>If 30% of employees eligible expresses written intent to participate in the incentive, by department, the County reserves the right to limit participation based on actual years of County service</p>	Yes	Yes	Yes		See Fiscal Impact Statement

Summary of Concession Agreement with MCGEO for FY 2010
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No.	Article/ Subject	Summary of change	Requires appropriation of funds	Present or future fiscal impact	Requires legislative change	Consistent with Personnel Regulations	Notes
14.	55, Cost Efficiency Study Group	<p>Study group to consist of Local 1994 President, 2 other Union representatives, OHR Director, and 2 other employer representatives</p> <p>Purpose of group is to evaluate and identify potential cost savings and/or productivity enhancements of agencies, programs, and departments which employ bargaining unit members</p>	No	No	No		
15.	Appendix VI (c), Fleet Management	The 4 day 10 hour work week will be available for the Heavy Equipment section	No	No	No		