



Agenda Report

File #: 2021-1928, **Version:** 1

FROM: John Withers, Board Chairman
Originator: Celia Chandler, Director of Human Resources

SUBJECT:

LABOR RELATIONS - CHIEF NEGOTIATOR AGREEMENT

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

Authorize the Board Chair to execute an agreement with Liebert Cassidy Whitmore, for Laura Drotz Kalty to serve as the external Chief Negotiator for labor contract negotiations and related items, for an amount not to exceed \$150,000.

BACKGROUND

The Orange County Sanitation District (OC San) is preparing for labor negotiations with all three recognized employee organizations which include the Supervisory and Professional Management Group (SPMG), the Orange County Employees Association (OCEA), and the International Union of Operating Engineers Local 501 (Local 501). The collective bargaining agreements or Memoranda of Understanding (MOU's) for each of these groups are set to expire on June 30, 2022.

Labor contract negotiations are governed by the Meyers-Milias-Brown Act (MMBA), Government Code Section 3500. The MMBA requires that local agencies meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized collective bargaining units.

OC San is requesting authorization to retain labor attorney Laura Drotz Kalty of Liebert Cassidy Whitmore to serve as Chief Negotiator in upcoming labor contract negotiations and advise the Board/staff on all issues under the MMBA. This includes any preparatory work for labor contract negotiations including an internal and external assessment of wages, benefits, economic factors, and labor costs, as well as involvement in OC San's agencywide Classification & Compensation study, which is currently in progress. The contract amount is not to exceed \$150,000 and includes the fees, costs, and expenses for labor negotiation services and associated pre- and post- negotiation activities for Ms. Kalty, paraprofessionals, and litigation support staff. Ms. Kalty will work closely with the Steering Committee, Board, and Human Resources staff to negotiate and execute tentative agreements consistent with authority granted by the OC San's Board of Directors.

The Board previously authorized contracts with Ms. Kalty, who served as Chief Negotiator with all represented units during the last two (2) rounds of labor contract negotiations. Ms. Kalty successfully

negotiated three (3) year labor contracts for all units in 2016 and again in 2019.

RELEVANT STANDARDS

- Ensure the public's money is wisely spent
- Cultivate a highly qualified, well-trained, and diverse workforce
- Offer competitive compensation and benefits
- Negotiate fair and equitable labor agreements
- Maintain positive employer-employee relations

PROBLEM

The collective bargaining agreements for all three (3) bargaining groups, representing six (6) different units are set to expire on June 30, 2022. Based on past practice, contract negotiations for successor agreements should begin prior to the expiration of the current contracts.

PROPOSED SOLUTION

Authorize the Board Chair to execute a one-year agreement with an external Chief Negotiator in accordance with Ordinance No. OCSD-56, Section 3.03.B Contractors Reporting to the Board.

OCSD-56 is an ordinance of the Board of Directors of the Orange County Sanitation District establishing requirements and procedures for the purchase of goods, services, and public works projects. OCSD-56, Section 3.03.B Contractors Reporting to the Board lists that the provisions listed under Article 3 (Professional Services) shall not apply to the retention of Professional Service firms or individuals that are selected by the Board and report directly to the Board. For such contracts, the Board shall determine the method of selection, consistent with the requirements of applicable law.

TIMING CONCERNS

Authorization to hire the Chief Negotiator is recommended for approval by the Board of Directors in October 2021, leaving approximately eight (8) months for the Chief Negotiator and staff to begin preparations and execute successor agreements with all three (3) bargaining groups before the current labor contracts expire on June 30, 2022.

RAMIFICATIONS OF NOT TAKING ACTION

Delays in the selection of a Chief Negotiator would postpone initiation of labor contract negotiations and may negatively impact OC San's ability to finalize successor agreements before the MOU's expire on June 30, 2022, which may lead to labor unrest and instability.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

OC San has 639 authorized full time equivalent (FTE) staff. Of this total, 571 FTEs are assigned to one of six formal bargaining units which are represented by three recognized employee organizations.

Three (3) of the bargaining units are represented by OCEA. OCEA represents 96 OC San employees, who perform para-professional, technical, and administrative jobs. One (1) bargaining unit is represented by Local 501. Local 501 represents 200 OC San employees, who perform operations, maintenance, and other trade-related jobs. The remaining two (2) bargaining units are represented by the SPMG affiliated with the American Federation of State, County, and Municipal Employees (AFSCME). SPMG/AFSCME represent 63 OC San employees that are responsible for supervisory duties across all divisions. In addition, SPMG/AFSCME represent 212 OC San employees holding professional, exempt-level positions who perform analytical work.

CEQA

N/A

FINANCIAL CONSIDERATIONS

It is estimated that the cost for labor relations consulting for all negotiations will total \$150,000. This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted for FY 2020-21 and FY 2021-22. (Line item: FY 2021-22 Budget Section 5, Page 6; Object Account 53210).

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

- Liebert Cassidy Whitmore Agreement