Memorandum

MIAMI-DADE COUNTY

Date: October 6, 2009

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

Agenda Item No. 9(A)(7)

From: George M. Burgess
County Manager

Subject: Recommendation for Resolving the Collective Bargaining Impasse between Miami-Dade County and the American Federation of State, County and Municipal Employees (AFSCME), Local 3292, Solid Waste Employees

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Recommendation

It is recommended that the Board of County Commissioners resolve the Collective Bargaining Impasse between Miami-Dade County and the American Federation of State, County and Municipal Employees (AFSCME), Local 3292, Solid Waste Employees, by accepting the attached proposed Article 41, Wages, Article 42, Entrance Pay Rates, and Article 44, Longevity Bonus, for the successor 2008 to 2011 Collective Bargaining Agreement between Miami-Dade County and the American Federation of State, County and Municipal Employees (AFSCME), Local 3292, Solid Waste Employees, such Articles attached as Exhibit 1.

Scope

The impact of this agenda item is countywide.

Fiscal Impact/Funding Source

As reported in the FY 2009-10 Proposed Budget (Vol. 1, Attachment II, page 47), the savings associated with the freeze of merit increases and longevity bonuses and a five percent reduction in salaries equates to $143.6 million across all sources of funds for FY 2009-10; this cost reduction recurs for each applicable year of the contract as it resets the base from which future growth is determined.

The cost of living adjustment has a recurring yearly impact on expenses of approximately $21.2 million across the entire County for every one percent increase.

Track Record/Monitor

The Director of Employee and Labor Relations monitors and oversees the administration of the County's collective bargaining agreements.

Background

As you know, we have spent more than a year in good-faith negotiations over collective bargaining agreements with the County's ten bargaining units, replacing contracts that expired September 30, 2008.

This government has always demonstrated a sincere appreciation for its employees' excellent work and a heartfelt determination to provide those employees with wages and working conditions that are necessary to maintain healthy and successful communities. Even between friends, however, such negotiations are never easy. In every case, the Board will have final authority to determine the terms and conditions of these labor agreements, as well as the obligation to adhere to the timelines and rules mandated by law.

Three AFSCME bargaining units (Local 199 – General Employees, Local 1542 – Aviation, and Local 3292 – Solid Waste) have agreed in writing to waive a hearing before a special magistrate and go directly to the Board, as authorized by Florida law. The administration has continued good-faith bargaining in an effort to narrow the issues that will come before the Board.

The Administration's recommendation will be similar to those accepted in our successful negotiations with the two units represented by the Government Supervisor Association of Florida (GSAF), OPEIU Local 100, which resulted in new three-year agreements approved by the Board at the Special Meeting of July 23, 2009. For the first fiscal year, The GSAF agreed to accept the same wage adjustments and freezes to merit pay and longevity bonuses that are received by other bargaining units. The GSAF also agreed to a wage increase of one percent effective the last pay period in September 2010, and an increase of two percent effective the last pay period in September 2011. These agreements reflect a change from our previous practice of enacting wage increases in July of each year. This delay to late September will result in considerable savings if applied to all County bargaining units.

A five percent pay reduction and a freeze on merit increases and longevity bonuses are recommended for all County employees effective the last pay period in September 2009. As stated in the cover memorandum to the FY 2009-10 Proposed Budget (page 21), this is an incredibly difficult recommendation but ultimately preferable to additional layoffs and reductions to critical public-safety and community-support services. The savings associated with freezing all merit increases and longevity bonuses beginning in September 2009 and reducing employees' salaries by five percent in FY 2009-10 is $143.6 million countywide.

The language in the attached impasse articles reflects the need to enact any freeze or suspension of merit increases and longevity bonuses prior to the end of the first fiscal year of the successor agreement. Under Florida law, if the bargaining unit fails to ratify the action taken by the Board at impasse, the decision of the Board would only apply to the first fiscal year of the agreement. In such event, what takes effect during the first fiscal year of the agreement becomes the status quo for future resolution, whether through negotiation and settlement or through further impasse hearings. While the recommendation is to apply the freeze on merit increases and longevity bonuses for one year, the Board may choose any period of time that is fair and equitable to all County employees, or may choose to suspend merit increases and/or longevity bonuses for the duration of the agreement.

It is important to note that the County remains unsettled with five additional bargaining units, despite continuing good-faith negotiations. Impasse has been declared with four of them (Transit Workers United Local 291, AFSCME Local 121 – Water and Sewer, and Police Benevolent Association Rank & File and Law Enforcement Supervisory), and those organizations have not agreed to waive a hearing before a special magistrate. If they adhere to that decision, the special magistrate's recommendation is unlikely to reach the Board before November. Additional delays are always possible; in fact, delays are more likely this year because the economy has created budget challenges across the state and

prompted far more public entities reach impasse with labor unions – a situation which stretches thin the state's roster of magistrates.

The final unresolved negotiation is with the International Association of Fire Fighters (IAFF) Local 1403. We have continued good-faith negotiations with IAFF while engaging in concurrent discussions about the possible declaration of impasse. Our most-desired outcome, of course, would be to reach final agreement on a new contract, as we did with GSAF. In absence of that, however, we hope IAFF will join AFSCME Locals 199, 1542 and 3292 in agreeing to waive a hearing before a special magistrate and proceed directly to the Board.

In closing, I want to place these negotiations within the context of the budget development process for the upcoming year. The tax rates adopted by the Board following the public hearing on September 3 impose significant revenue constraints on the FY2009-10 budget, as does the Board's decision to eliminate the increase to Water and Sewer Department fees. One of the ways we have proposed addressing the resulting revenue gap is with a reduction of five percent to all employee wages. Because the Board does not have the option of raising additional revenue using higher tax rates, we believe the County will have little choice but to impose those reductions as discussed in the Proposed Budget.

MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

DATE: October 6, 2009

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 9(A)(7)

Please note any items checked.

_____ **"3-Day Rule" for committees applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

✓ **No committee review**

_____ **Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous _____) to approve**

_____ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor

Veto _____

Override _____

Agenda Item No. 9(A)(7)

10-6-09

RESOLUTION NO. _____

RESOLUTION RESOLVING COLLECTIVE BARGAINING IMPASSE BETWEEN MIAMI-DADE COUNTY AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, LOCAL 3292, SOLID WASTE EMPLOYEES

WHEREAS, Miami-Dade County and the American Federation of State, County and Municipal Employees (AFSCME) Local 3292, Solid Waste Employees, have negotiated for a reasonable period of time on a successor collective bargaining agreement to the agreement that expired September 30, 2008; and

WHEREAS, the parties have reached an impasse in their negotiations; and

WHEREAS, the parties have jointly agreed in writing to waive the appointment of a special magistrate and proceed directly to resolution of the impasse by the Board of County Commissioners; and

WHEREAS, this Board has conducted a public hearing at which the parties were required to explain their positions regarding the impasse in negotiations; and

WHEREAS, this Board, pursuant to Fla. Stat. Sec. 447.403, is required to take such action as it deems to be in the public interest, including the interest of the public employees involved, to resolve the disputed impasse issues; and

WHEREAS, the issues at impasse are wages, merit pay increases and longevity bonuses,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board approves and ratifies the County Mayor's recommendations for settling the collective bargaining impasse for

the reasons set forth in the County Mayor's Memorandum. The County Mayor and AFSCME Local 3292 shall reduce to writing an agreement which includes those issues previously agreed to by the parties and the disputed impasse issues resolved herein. The written agreement shall be signed by the County Mayor and submitted to the bargaining unit for signature and ratification. If the bargaining unit fails to ratify the agreement, the action taken in this resolution shall take effect as of the date of this resolution and shall be effective for the first fiscal year that was the subject of negotiations (October 1, 2008 to September 30, 2009).

The foregoing resolution was offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Dennis C. Moss, Chairman
Jose "Pepe" Diaz, Vice-Chairman

Bruno A. Barreiro
Carlos A. Gimenez
Barbara J. Jordan
Dorrin D. Rolle
Katy Sorenson
Sen. Javier D. Souto
Audrey M. Edmonson
Sally A. Heyman
Joe A. Martinez
Natacha Seijas
Rebeca Sosa

The Chairperson thereupon declared the resolution duly passed and adopted this 6th day of October, 2009. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. G.K.

Lee Kraftchick

ARTICLE 41 WAGES

First Year 2008 -2009

Effective the beginning of the last pay period in September 2009, all employees in bargaining unit classifications shall receive a five percent (5%) decrease, with pay ranges and steps adjusted downward accordingly.

Second Year 2009 - 2010

Effective September 20, 2010, all employees in bargaining unit classifications shall receive a one percent (1%) wage increase.

Third Year 2010 - 2011

Effective September 19, 2011, all employees in bargaining unit classifications shall receive a two percent (2%) wage increase.

Effective the beginning of the last pay period in September, 2009, merit increases shall be suspended. Effective the beginning of the last pay period in September, 2009, the payment of longevity bonuses shall be suspended.

ARTICLE 42 ENTRANCE PAY RATES

For all employees hired into the County Service on or after November 1, 1991, the entrance pay rate for all bargaining unit classifications shall be pay step 1 of the appropriate pay range provided in the Miami-Dade County Pay Plan. Progression from the entrance level pay of step 1 to step 2 shall be six (6) months (13 pay periods) based upon satisfactory or above satisfactory job performance. Progression from step 2 to the maximum step in the pay range shall be at one (1) year (26 pay periods) intervals thereafter based upon satisfactory or above satisfactory job performance. Effective the beginning of the last pay period in September, 2009, progression from any one pay step to the next pay step shall be suspended.

ARTICLE 44 LONGEVITY BONUS

Employees with fifteen (15) years of continuous full-time service shall receive a longevity bonus on their anniversary date and each year thereafter. Deferment for authorized leave of absence shall be deductible and not considered as a break in service.

The annual longevity bonus payments will be paid in accordance with the following schedule:

Years of Completed Full-Time Continuous County Service	Percentage Payment of Base Salary
15	1.5%
16	1.6%
17	1.7%
18	1.8%
19	1.9%
20	2.0%
21	2.1%
22	2.2%
23	2.3%
24	2.4%
25	2.5%
26	2.6%
27	2.7%
28	2.8%
29	2.9%
30 or more	3.0%

Effective the beginning of the last pay period of September, 2009, the payment of longevity bonuses shall be suspended.