



Agenda Item No. (6)(B)(2)(a)

**REPORT OF THE ATTORNEY  
BOARD OF DIRECTORS  
MEETING OF OCTOBER 22, 2021**

The Honorable Board of Directors  
Golden Gate Bridge, Highway and Transportation District

Honorable Members:

**Recommendation**

It is recommended that the Board of Directors authorize ratification of a Memorandum of Understanding (MOU) with Public Employees Union Local One / AFSCME COUNCIL 57, which represents the Painters' bargaining unit. The recommended MOU covers the time period from ratification until July 1, 2024 and provides for a 2.5% wage increase and a \$1,000 lump sum payment per employee, effective the pay period in which ratification occurs. It also provides for 2% wage increases on July 1, 2022 and on July 1, 2023, with up to an additional 1% each year based on agreed upon Golden Gate Bridge traffic triggers, as well as several other amendments to the MOU, as outlined in this report.

**Background**

The COVID-19 Pandemic has had unprecedented impacts on the operations of the Golden Gate Bridge, Highway, and Transportation District (District), including significant economic implications for the District's employees and retirees. Over the past year and a half, the District has engaged with its employee bargaining units to develop measures to address major budgetary shortfalls and to reach new labor agreements. During this time period, the Board of Directors (Board) reviewed and approved a plan to transition health coverage for District employees and retirees to coverage under the CalPERS health insurance program, which is available to employees and retirees of contracting public agencies. This created immediate and long-term cost savings for the District.

Against the backdrop of the economic uncertainties facing the District, in September 2020, the Painters' unit agreed to a 12-month MOU that included the transition to the CalPERS medical program. They agreed to the transition while simultaneously agreeing to forgo a wage increase because they understood the severity of the District's financial situation and because they wanted to do everything they could to help preserve jobs. As such, the Painters were transitioned to CalPERS medical plans on January 1, 2021, a full six months before the rest of the Coalition, resulting in significant savings to the District. This took courage and leadership, and the District is grateful for the Painters' good faith in negotiating the 2020-21 agreement.

Given this context, District representatives have negotiated an agreement with the Painters that demonstrates reciprocal good-faith. In recognition that the Painters have not had a wage increase since July 1, 2019 and the fact that the Painters have agreed to a three-year MOU term, District representatives negotiated a one-time lump sum non-pensionable payment of \$1,000 (Term 1), as well as a 2.5% wage increase effective the pay period in which ratification occurs (Term 2A). In addition, this agreement provides the following additional terms through its July 1, 2024 end date:

**2B. On July 1, 2022, a 2% wage increase plus:**

- if traffic (southbound cars going through the toll plaza) in March, April and May of 2022 increases to 90% of the level it was in 2019 for the same months, an additional 0.5%

- if traffic (southbound cars going through the toll plaza) in March, April and May of 2022 increases to 95% of the level it was in 2019 for the same months, an additional .5% (for a total of 3% increase on July 2, 2022).

**2C. On July 1, 2023, a 2% wage increase plus:**

- if traffic (southbound cars going through the toll plaza) in March, April and May of 2023 increases (or stays at) to 90% of the level it was in 2019 for the same months, an additional 0.5%

- if traffic (southbound cars going through the toll plaza) in March, April and May of 2023 increases (or stays at) to 95% of the level it was in 2019 for the same months, an additional .5% (for a total of 3% increase on July 2, 2023).

3. Revise union security language to comply with *Janus v. AFSCME*.
4. Revise the CalPERS medical agreement to reflect newly-enacted plan changes.
5. Increase the reimbursement amount for purchasing or repairing work boots from \$100 per year to up to \$450 over three years.
6. Straight time pay for employees required by the District to attend NASE certification training.
7. Implement at 10% premium for special (nighttime) shifts.
8. **"Me Too" with Union Coalition:** If the District settles with the Union Coalition and agrees to more favorable terms, such terms will automatically apply to the Painters' MOU.
9. **Miscellaneous MOU language clean-up**

**Fiscal Impact**

The proposed recommendation would increase the District's expenses in two ways. First, there would be a one-time expense of approximately \$39,000 for the one-time payment and second, there would be an ongoing yearly expense of approximately \$311,000 for salaries, related benefits and other provisions in the recommendation. The District's FY 21/22 Budget contains sufficient resources to fund these additional expenses.