



November 17, 2011

Brian McArthur
Director of Employee Relations
County of Riverside Human Resources
County Administrative Center
4080 Lemon Street, 7th Floor
P.O. Box 1569
Riverside, CA 92502-1569

RE: Response to County's Statement of Negotiation Impasse

Dear Mr. McArthur:

This correspondence is in regard to your email to me at 2:58 p.m. on 11/15/2011 with an attached letter advising your belief that the parties were at an impasse in these negotiations.

The Union does not agree with the County's position that the parties are at impasse. SEIU submitted two counterproposals to the County, one on 11/8/2011 and another on 11/14/2011, to which the County did not meaningfully respond. Less than 24 hours prior to the County making this declaration, the County provided four additional bargaining dates into December in relation to the RN Bargaining Unit side table and promised to put "new money" on the table to address the recruiting and retention issues with the nurses.

As already expressed in correspondence to you on 11/14/2011, the County also has outstanding information requests that it has failed to provide a full response to which are pertinent and relevant to these negotiations.

SEIU's last proposal of 11/14/2011 exceeded the monetary parameters you expressed to us during negotiations of achieving \$17 million in savings during FY11/12 and FY12/13. In fact, our proposal provides over \$20 million in savings during the next two fiscal years. During the CFO's presentation on the FY11/12 First Quarter Budget Report, he had reported that \$20 million in labor savings was incorporated in the County's budget planning assumptions. That was supposed to be from all employee groups and not just off the backs of SEIU represented employees.

You had even stated that SEIU yet again lowered its expectations in our last proposal thus showing substantial movement in bargaining positions. Just because the pace of negotiations is not going as you had planned, does not indicate that the parties have exhausted all possibilities of engaging in good faith discussions to come to a mutual agreement. SEIU stands ready to resume negotiations and believes we are far from an impasse.

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You also fail to state exactly which issue(s) you believe the parties are at impasse on other than your general assumption that we are not any closer to an agreement while refusing to engage in any further discussions to attempt to reach a settlement agreement. Each party has presented bargaining proposals addressing numerous terms, thus a blanket declaration of impasse without specifics about the issues of disagreement doesn't allow SEIU to reconsider particular positions. Since it appears that one area of contention lies in the methodology behind the savings and costs of each proposal, I would suggest we meet to discuss further and bring in a neutral costing consultant to review both of our proposals.

You also did not provide a copy of the terms and conditions of employment that you intend to impose on all SEIU represented employees effective at noon on Monday, 11/21/2011, thus the members are left to guess at what exactly the County intends on imposing.

Additionally, since the Union will not have the results of the member's authorization votes until Monday evening due to voting closing at the same date and time as the County's new deadline, I suggest you extend your deadline for imposition to noon on Tuesday, if you truly intend to honor the employee's ability to let their voices be heard.

If the members reject the County's LBFO, I would also suggest the parties engage in mediation to attempt to reach a fair settlement prior to imposition which will have even costlier legal consequences for the County should PERB find the County's imposition illegal as it has done in the past. Accordingly, we request that a mediator from CMCS be brought in to assist the parties in negotiations pursuant to Section 15 of the Employee Relations Resolution.

The County is asking, yet again, for SEIU's members to accept concessions that would effectively equate to a greater than 5% pay cut over the next three years, by requiring them to pay larger contributions towards their pensions, while only granting a single 2.71% step pay increase in the future. While the County has used the internet and its email system to try to persuade employees that the County's Last Best and Final offer is a good deal, all of them will take significant pay cuts and new employees will have far inferior pension benefits, even though the County's pension system is at a 91% funding level.

I also want to remind you the County will not obtain labor peace by imposing terms and conditions on members. Since there is no contract, there are no waivers, zipper clauses, or agreements of any kind. Absent contractual waivers, the County is obligated under Government Codes 3505 and 3505.4 to bargain over ANY and ALL changes to mandatory terms and conditions of employment from day one of any imposition; and the County must resume full MOU negotiations in March 2012, just as it has in the past, to ensure sufficient time to negotiate prior to the County's adoption of the final budget for 2012-2013. Of course, SEIU and all represented employees will also retain their statutory rights to engage in any and all job actions since there is no agreement to the contrary. The County will still be obligated to comply with all civil service rules and not violate employee's Constitutional rights to due process. Therefore, you should not be

under any illusion that your intransigence and rush to impasse will either end the County's bargaining obligations or reduce labor strife.

Per past practice, the Union has submitted a release time request for the SEIU 721 bargaining team to enable them to tally the authorization votes on Monday.

We, as always, stand ready to continue bargaining in good faith and believe the parties are sufficiently close that a real, multi-year agreement can be reached.

Regards,



Wendy Thomas

SEIU Local 721 Chief Negotiator

*CC: The Board of Supervisors
Barbara Olivier
Larry Parrish*