

Local 21 EBMUD Chapter Chapter Update March 4, 2009

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Budget and Compensation:

During the last few days your E-Board has meet with the General Manager regarding the budget, compensation and Operating Efficiencies. On February 26, a presentation was provided regarding budget reductions from 21% to 14% in FY10 and from 4% to 2% in FY 11. The GM's fourth update memo to staff identified the following savings:

Capital Project Deferrals	2.0%
Hiring Freeze	3.0%
Non-Labor Discretionary Expenses	1.5%
Operating Efficiencies	0.5%

The GM presented the Senior Management Team's plan to further reduce the budget by implementing five proposals to reduce the current budget by 0.5%. These proposals, called Operating Efficiencies, include:

- Close the 1st Floor Administration Building Payment Counter and direct customers to pay stations and other payment options.
- Downsize the District fleet by assigning departmental vehicles with low usage back to fleet pools and revising District criteria for take-home vehicles. In addition we will defer vehicle replacements for the next two years.
- Modify leak repair practices to eliminate early morning repair crew call-outs (except when public safety or significant customer outage concerns exist) and limit the amount of overtime by leak repair crews.
- Change janitorial staff from swing to day shift.
- Change Pardee Area Control Center work schedules to eliminate the third shift and transfer monitoring to the Oakland Operations Control Center.

The power point presentation regarding the efficiencies is available on the Local 21 website, under the EBMUD Chapter.

http://www.ifpte21.org/chp_ebmud.shtml

Each of these proposals will be discussed at the monthly membership meeting on March 5 in the Admin Building Board Room.

On March 3rd, your E-Board met with the GM. The GM asked Local 21 represented staff to forfeit their FY 2009 and 2010 Performance Pay. In his briefing he informed us that the Senior Management Team would not receive bonus pay for the next two years and that the remaining managers had also been asked to forfeit their bonuses as well. Your E-Board asked many questions regarding the budget, debt level, rate structure, and actions being taken to address the fiscal impact. We made it clear that this meeting was only an informational briefing and that we were not opening the contract at this time. We agreed to bring the GM's request to the membership for further discussion and consideration. This is what we know at the present time:

1. Nothing will be agreed to without membership approval.
2. The contract/MOU is not open for negotiations or change.

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3. Your E-Board is scheduling a meeting with Gary Breaux to discuss the budget, compensation impacts, bond projection and what is forecast for a successful budget.
 4. At present the other Unions have not received any requests to change their compensation.
 5. Your E-Board will continue to meet and discuss responses to the GM's request.
 6. We will be soliciting your opinions and concerns at the next membership meeting. For those that cannot attend please submit your concerns to me or any E-Board member via email.

There are many issues to resolve prior to any decision by the Union regarding Performance Pay. Please attend the membership meeting on March 5th in the Board Room at noon. Lunch will not be served at this meeting due to the location, as food is not permitted in the Board Room.