

TO: Santa Clara Valley Water District Board of Directors **FROM:** Liz Bettencourt, EA President
AFSCME Local 101
Metra Ulloa, ES President
IFPTE Local 21
Jason Christie, PMA President
IFPTE Local 21

SUBJECT: BAO Performance

DATE: September 10, 2015

In light of the Board's closed session on BAO performance evaluations today, we would like to take this opportunity to provide you our feedback on the CEO's performance for your consideration. Over the tenure of this CEO, the Unions have given considerable effort to having frank and open dialog with him. When that was no longer possible, we turned to the Board to express our concerns. In the interest of our collective memberships, we hope to continue the dialogue with the Board on those issues which are important to staff. To that end, we have provided an overview of some of the issues and incidences that have caused distrust and strained the relationship between the CEO, the Unions and the district staff.

Relationship with employees/employee representatives

- Negotiations in 2012 were not just concession contracts, but set the tone for a systematic devaluing of the workforce (e.g. after-bargaining loss of alternative shifts and some pay differentials);
- There have been more successful grievances, arbitrations, and Unfair Labor Practices (ULP) filled with the current CEO than any predecessor:
 - PEPRA arbitration - The District took an anti-employee position it knew was legally questionable and forced the Union to go through an arbitration and force the judgment in Superior Court in order to get our award enforced;
 - AB646: CEO directed Labor Relations to try to gut the legislature passed fact-finding procedure to make it less advantageous to the Union(s) than how the law was written.
- *One-District* petition submitted to the Board saw 2/3 of the employees asking for better treatment, trust and respect;
- CEO appears to be fundamentally anti-labor, does not recognize that "the Union" is the district staff speaking;
- When creating CEO cross-functional teams, the unions were either not included or were told who not to send; we attributed this to his style of micromanagement, but we also believe it is due to a need to control outcomes;
- 2011 EERO Negotiations;
- 2011 MOU Negotiations;
- 2014 EERO Negotiations, looking to secure language beyond AB646;
- 2014 EA MOU Negotiation and "me too language" (see bullet #4 under Trust/Ethics).

Trust/Ethics

- We have shared that there is a lack of transparency throughout the organization from reports only having selected information, process not being available (e.g. hiring process and LeeAnn Pelham's group and 1:1 drop in sessions on trust, and management's own discussions during unit meetings. These findings have yet to be released.)

- EA investigation on Skelly Hearing; CEO promised EA it would be investigated when new Ethics officer came on and that they would receive the report on the outcome/findings. In the end he reneged on this commitment.
- During Governance Policy preparation:
 - CEO utilized a new/different process for the Unions' input than is used for staff and external stakeholders;
 - There were last minute changes submitted to the Board by management which caused confusion (attachment);
 - Contrary to board direction, the CEO develop BAO language without including the unions in any discussion
- CEO conducted side-bar bargaining in the absence of the management bargaining team, which resulted in two of the unions receiving an additional benefit after a tentative agreement had been reached by all three unions; the result of this was a grievance by the third union;
- Only 20% of the workforce had trust in executive management as detailed in the latest workforce satisfaction survey.

District Classification/Compensation Study

- All PMA officers on the negotiation team were proposed to be demoted or "Y" rated.
- CEO made a commitment that no harm would come to the SPM classification due to his 2010 reorganization, whereas the DCCS initial framework proposes this classification be retired and may impact the remaining SPM through demotions and Y-rating.

Diversity & Inclusion

- This program prior to his tenure was a robust program with three staff to support it. Currently the program is staffed with one part-time individual and has yet to address how the organization has progressed;
- The Diversity Council was disbanded without any formal notification or rationale as to why this component would no longer be a part of the D&I program, additionally no formal acknowledgement to staff who gave their time to participate on the council;
- It took over a year to release the 2013 Workforce satisfaction survey findings.

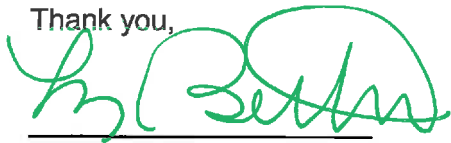
Resources & Staffing Plan

- Staffing resources are at an all-time low within the context of the workload required, which continues to increase; we acknowledge some small progress in the staffing number but not enough to stop the bleeding;
- Contracting out and use of temporary staff has become the "go-to" due to staffing level restrictions;
- Succession Development is still largely a concept; we acknowledge progress in some of the programs that have been implemented; however, there is no connection between succession development and hiring practices, and only a very small percentage of district staff have any kind of development plan; many staff (at ALL levels of the organization) tell us they simply don't have time to do their work and develop and implement a development plan, or participate in other opportunities.
- For a number of years the CEO would not move from the 731 headcount, which he acknowledges was a value he determined; however, the organization continued to increase its

commitments (e.g. encroachment strategy, comprehensive watershed management plan, etc.) without adding any additional staff leading to our current resource crisis.

In closing, we hope the Board understands our frustration and that of our members. There is long-term value in re-engaging the district workforce. People will give 110% when they know they are appreciated; and in order for appreciation to be believable, our words must match our actions.

Thank you,



Liz Bettencourt
EA President/AFSCME Local 101



Metra Ulloa
ES President/IFPTE Local 21



Jason Christie
PMA President/IFPTE Local 21

Cc: Clerk of the Board, Engineer Society, Employee Association, Professional Management Association

STATE OF CALIFORNIA
PUBLIC EMPLOYMENT RELATIONS BOARD



IFPTE, LOCAL 21, AFL-CIO,

Charging Party,

Case No. SF-CE-1139-M

v.

SANTA CLARA VALLEY WATER DISTRICT,

Respondent.

SETTLEMENT AGREEMENT

In the interest of promoting harmonious labor relations between the parties and to avoid the uncertainty, inconvenience, and expense of litigation, the IFPTE, Local 21, AFL-CIO (Local 21) and the Santa Clara Valley Water District (District), in settlement of the above-captioned unfair practice charge before the Public Employment Relations Board, agree as follows:

1. A dispute has arisen between the parties concerning Local 21's allegations of interference with protected activity.
2. IFPTE, Local 21, AFL-CIO hereby withdraws Unfair Practice Charge No. SF-CE-1139-M with prejudice.
3. The parties agree to the language attached hereto as Exhibit A.
4. This Settlement Agreement does not constitute an admission of wrongdoing, contract or statutory violation, or liability on the part of any party to this agreement.
5. This Settlement Agreement represents a full and complete resolution of the claims and disputes between the parties based upon the above-referenced matter. Each party shall bear their own costs and attorney's fees.
6. The undersigned parties represent that they have read and understand the terms of this settlement and that they are authorized to execute this Settlement Agreement on behalf of their principals.

DATED: 12/22/14

Stanley C. Young
Stanley Young
Representative/Organizer

DATED: 1/5/15

Michael Baratz
Michael Baratz
Labor Relations Officer

EXHIBIT A

Local 21 filed a charge of unfair labor practices, resulting in a prima facie complaint issued by the Public Employment Relations Board (PERB), alleging that the District unlawfully interfered with Local 21's right to represent employees and interfered with employees' exercise of rights under the Meyers-Milias-Brown Act. The District has denied these allegations. Local 21 and the District have voluntarily entered into a mutual settlement agreement, and Local 21 has withdrawn its charge and the complaint. The settlement agreement specifically finds that there has been no admission of violation or finding of fault by either party.

Pursuant to the settlement agreement, the District acknowledges that Local 21 and its members have a general right to communicate with the Board of Directors and the District has no intention of infringing on that right. Both parties recognize that these communications will be protected so long as they do not constitute direct dealing by either party as defined by law.

Metra Ulloa

From: Ingrid Bella
Sent: Monday, July 28, 2014 8:11 PM
To: Beau Goldie
Cc: Brian Hopper; Grant Lee; Metra Ulloa; Liz Bettencourt
Subject: EL-3 BAO Interpretation

Hi Beau:

I wish we would have been given a heads up about the change to the EL-3 BAO Interpretations before the meeting tonight. Had we discussed it, EA/ES 1) would have been clear that it was interpretations and not policy and 2) we could have made a recommendation for the Board to accept the policy changes and to delegate an update to the interpretations separately. Now, the board did not make a motion to approve the EL-3 which was within their purview and were distracted by the discussion on the interpretation. I fear this requires them to schedule a second meeting to finish approval of all changes. I am sorry about that, because like you, we wanted the policy review to go smoothly and in one night if possible.

**Santa Clara Valley
Water District**



INGRID BELLA
SENIOR MANAGEMENT ANALYST
Office of the Chief Operating Officer
Water Utility Enterprise
Santa Clara Valley Water District
(408) 630-3171
ingridbella@valleywater.org

Metra Ulloa

From: Liz Bettencourt
Sent: Monday, November 03, 2014 9:12 AM
To: Beau Goldie
Cc: John.tucker@ca.afscme57.org; Ingrid Bella; Glenna Brambill; Metra Ulloa; Jason Christie; LeeAnn Pelham; Jesus Nava
Subject: BAO Interpretations

Beau,

In July during governance policy review, the Board directed the CEO to meet with the Unions to finalize the BAO interpretations. We anticipated hearing from you or your designee when you were ready to tackle the subject. However, now we see that the new BAO interpretations have been published without discussion with any of the three unions.

It is imperative that we meet to discuss this at the earliest possible time. Can we count on you, or your designee, to set up a meeting very soon so we can work toward resolving this matter?

Thanks.

Liz Bettencourt

President, Employees Association

408-630-2821

www.valleywaterea.com

Respect - Trust





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August 19th, 2015

Sender's Email: john.tucker@ca.afscme57.org

Sent Via Email

Michael Baratz, Labor Relations Officer
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3686

Dear Mr. Baratz:

The Union is hereby withdrawing Grievance 14-06, "Me Too Grievance".

The Union had decided unanimously to take this grievance to arbitration after the Step 2 denial by the CAO and after consultation with Union Counsel. However, the Union feels that, while justified in filing this Grievance, at this point it would only splinter an already tumultuous relationship between Labor and Management, which has shown recent signs of improvement.

We still hold that the CEO made the wrong decision, which undermined the bargaining process and what the District's bargaining team was attempting to do at the table. In the future, should the CEO wish to participate in bargaining, he should feel free to do so fully, with his presence at the table. Otherwise, it would be prudent to leave the bargaining to the Labor Relations Officer and his/her team, providing them with clear authority and parameters on what the intentions of the District are, and the direction to express those clearly to the Union.

We hope Management will see the withdrawal of our request to arbitrate this grievance as a de-escalation of this matter and recognize our desire to focus on more pressing matters facing us.

Sincerely,

John Tucker
Business Agent
AFSCME Council 57 / AFSCME Local 101
1150 North First St. Suite #101
San Jose, CA 95112

cc: EA Executive Board, Beau Goldie, Jesus Nava

Metra Ulloa

From: Metra Ulloa
Sent: Thursday, November 13, 2014 12:11 PM
To: Beau Goldie
Cc: LeeAnn Pelham
Subject: Exemplary Performance Recognition

Beau,

You use to have an anonymous submittal option, I have no idea where it is now under the revamped web-page, and since I don't have any issues with you knowing my thoughts here is goes. I am a little disappointed by the lack of diversity (both in gender, color, age, etc.) in those selected for exemplary performance recognition. I know most of the gentleman selected this time around and each is well deserving without a doubt, but as a young woman of color, I would have liked to have seen more diversity. I don't know if the head of your D&I program had any input into this selection process, but it appears glaringly apparent to me that diversity wasn't a consideration. How can we talk about "inclusion" when it's clear it's not in our day to day activities, thoughts, or decisions.

<http://www.aqua.gov/featured-news/four-receive-exemplary-performance-recognition>

Metra A. Ulloa
Associate Engineer
District-wide Asset Management Unit
Santa Clara Valley Water District
(408) 630-2978
mulloa@valleywater.org



PROFESSIONAL & TECHNICAL ENGINEERS, LOCAL 21, AFL-CIO
An Organization of Professional, Technical, and Administrative Employees

Sent via E-mail and U.S. Mail

March 8, 2012

Beau Goldie
Chief Executive Officer
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118

RE: Santa Clara Valley Water District Retiree Health Benefits

Mr. Goldie,

It has come to our Union's attention that you sent letters to retired members of our Union (a copy of the letter is attached) regarding altering their vested retiree Health Benefits. As I am certain you are aware, IFPTE Local 21 was consistent and clear in our position during negotiations and when we spoke to the Board of Directors that we cannot bargain away a member's vested benefit whether it be pension, healthcare or other benefit. Additionally, in our negotiated successor agreement Article 6, Section 2 states that:

"It is understood that by entering into this MOU, neither party waives any legal rights, including the Society's or an employee's right to assert that retiree health benefits are vested, or what the vested benefit constitutes, as to employees working or who retired at any point between 12/30/2006 and 12/31/2011."

We are disappointed that you, the CEO, would misrepresent our position within your letter to retirees. Our negotiated successor agreement did obligate active employees to pay the 15% premium share, however we made very clear at the negotiation table and at the Board of Directors meetings that our position is that retiree health benefits are a vested right and the contract clearly stated that the full premium would be paid. Therefore, your statements in the letter are false, misleading and untrue; your lack of collaboration with our Union on such an important issue shows a complete lack of respect for our retirees, our members, and the important services we provide for our community.

For Our Unions,

Metra Valle
ES President

Jim Crowley
PMA President

Nancy J. Ostrowski
IFPTE Local 21 Senior Staff

Attachment

Cc: Nick Raisch
Luis Ortiz
Art Taylor
ES Board
PMA Board
Tony Bennetti, ARDE President
Chris Platten, Esq.

February 17, 2012

Title First Name Last Name
Address
City/State/Zip Code

RE: Santa Clara Valley Water District Retiree Health Benefits

Dear First Name:

I wanted to take this opportunity to provide you with information regarding the status of the retiree health benefit the District is providing to retirees such as yourself. As you may have heard, as a result of Memoranda of Understanding recently negotiated with its bargaining units, the Santa Clara Valley Water District has the ability to impose a premium sharing obligation on District retirees receiving the Retiree Health Benefit. Under this premium sharing, District retirees would have to contribute 15% of the cost of the medical coverage premium for active employees or 15% of the cost of the medical coverage premium for District retirees, whichever is less.

For the time being, the District's Board of Directors has decided to postpone implementation of such premium sharing on District retirees while it considers additional information regarding the relative legal rights of the District and its retirees on this issue.

We recognize that the potential imposition of additional costs for medical coverage may be difficult for those on fixed incomes. Be assured that the District is trying to resolve this issue as quickly as possible in order to eliminate any uncertainty you may have regarding your health benefits. The Board is scheduled to receive additional information on the issue in closed session at the March 13, 2012 Board meeting.

Sincerely,



Beau Goldie
Chief Executive Officer

cc: Employees Association (AFSCME Local 101)
Engineers Society (IFPTE Local 21)
Professional Managers Association (IFPTE Local 21)

