

# INTERNATIONAL UNION OF OPERATING ENGINEERS

Craft-Maintenance Division State of California Unit 12  
Locals 3, 12, 39 & 501, AFL-CIO

Julie Chapman  
Acting Director  
Department of Personnel Administration (DPA)  
1515 S Street - North Building, 5<sup>th</sup> Floor  
Sacramento, CA 95814-0765

Sent via U.S. mail

May 8, 2012

Dear Julie:

This letter is a follow-up to our meeting of last Friday, May 4, 2012, concerning ways that the State can bridge the projected budget gap for fiscal year 2012 – 2013.

IUOE Unit 12 opposes any cuts to employee compensation due to the Tentative agreement with the State of California and offers the following solutions to eradicate the estimated budget deficit:

- Offer the Golden Handshake (2 + 2) to all State employees effective July 1, 2012.
- Cease contracting out of Unit 12 work and bring that work back in house.
- Sever the employment relationship with Retired Annuitants and Temporary Employees.
- Undertake discussions with PERS for the purpose of exploring a restructuring of co-pays and deductibles for existing health care plans.

Bargaining Unit 12 is requesting the Administration look into all the contracting out issues brought to the Department of Personnel during the past year and cease all contracting out and return the work back to the appropriate classifications within our Bargaining Unit, and our sister Bargaining Unit, Unit 13.

Hopefully these suggestions will be of value to the Administration during your budget deliberations. If you have any questions, you can reach me at (916) 444-6880.

Respectfully,



Tim Neep  
Director of IUOE State Unit 12