



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 3/9/2015)

APPROVED: MULTNOMAH COUNTY
BOARD OF COMMISSIONERS

AGENDA # R.4 DATE 7/20/17
MARINA BAKER, ASST BOARD CLERK

Board Clerk Use Only

Meeting Date: 7/20/17
Agenda Item #: R.4
Est. Start Time: 11:00 am
Date Submitted: 7/5/17

Agenda Title: **Approval of the 2016-2021 Collective Bargaining Agreement between Multnomah County and IBEW Local 48**

Note: Title should not be more than 2 lines but be sufficient to describe the action requested.

Requested: July 20, 2017 Time Needed: 5 minutes
Department: Dept. of County Management Division: Central HR/Labor Relations
Contact(s): Steve Herron, Labor Relations Director
Phone: 503-988-4333 Ext. 84333 I/O Address: 503/3/300
Presenter Name(s) & Title(s): Steve Herron, Donna Hammond (IBEW)

General Information

1. What action are you requesting from the Board?

Ratification of 2016-2021 collective bargaining agreement between Multnomah County and International Brotherhood of Electrical Workers Local 48 (IBEW).

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

The parties' previous labor agreement expired June 30, 2016. The parties bargained over the course of 7 months of table negotiations (beginning in May 2016) and three mediation sessions to reach settlement. The prior 5-year CBA had been rolled over without bargaining, so the last time the parties had negotiated at the table was in 2005; this meant that there were a large number of issues for the parties to address in bargaining.

The highlights of this agreement are as follows:

- COLA:
 - July 1, 2016: 1.0% COLA
 - July 1, 2017: 2.2% COLA adjustment.
 - July 1, 2018: Pdx-Salem CPI-W, 1%-4% COLA Adjustment, plus possible market adjustment based on 1/1/18 comparables
 - July 1, 2019: Pdx-Salem CPI-W, 1%-4% COLA Adjustment
 - July 1, 2020: Pdx-Salem CPI-W, 1%-4% COLA Adjustment, plus possible market adjustment based on 1/1/20 comparables

Market Adjustment

Application of a 1.79% market adjustment to all classifications, retroactive to January 1, 2017.

Health and Welfare:

Maintaining current plans with current premium sharing contribution rates. Included reopener to address ACA impacts

Sick Leave (changes effective 7/1/16):

Updated sick leave to reflect statutory changes as a result of the Oregon Sick Leave Law.

3. Explain the fiscal impact (current year and ongoing).

The costing estimates are based on the best available data and show the impact for the duration of the contract (FY 2016-FY 2021). For a reference point, in FY 2017 most IBEW positions are budgeted in the Facilities Management Fund.

The new contract will not be approved until FY 2018, meaning that increased labor costs from FY 2017 will be paid retroactively in FY 2018.

Cost Estimates per Year of IBEW Contract by Proposal						
*All estimates are the new costs incurred in each year only and not cumulative ongoing costs plus new costs						
Proposal	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total
COLA (FY 2017 1.0%, FY 2018 2.2%, FY 2019 1-4%, FY 2020 1-4%, FY 2021 1-4%)	29,921	67,995	30,900 – 123,599	31,208 – 128,543	32,457 – 133,685	192,481 – 483,743
Market Adjustment (1.79%)	27,047	68,603	77,941	79,890	81,887	335,368
			108,841	111,098	114,344	527,849
			–	–	–	–
Total	56,968	136,598	201,540	208,433	215,572	819,111

ARTICLE 15, WAGES**FY 2017 – 1.0% Cost of Living Adjustment (COLA) - \$29,921**

The 1.0% COLA increase will cost approximately \$17,561 in wages, and \$12,360 in salary related benefits and insurance costs for a total ongoing increase of \$29,921 in all funds. These costs were anticipated in the FY 2017 budget.

FY 2018 – 2.2% COLA - \$67,995

The 2.2% COLA increase will cost approximately \$40,117 in wages, and \$27,878 in salary related benefits and insurance costs for a total ongoing increase of \$67,995 in all funds. These costs are in addition to the FY 2017 increases and were anticipated in the FY 2018 budget.

The FY 2019 – FY 2021 COLA impacts are unknown but the new IBEW contract specifies that the actual adjustment will be between 1 - 4%. The following estimates are reported as a range. The actual financial impact will most likely fall somewhere in between these estimates.

FY 2019 – 1 - 4% COLA - \$30,900 – 123,599

The 1 - 4% COLA increase will cost approximately \$18,231 – 72,923 in wages, and \$12,669 - 50,676 in salary related benefits and insurance costs for a total ongoing increase of \$30,900 – 123,599 in all funds. These costs are in addition to the increases listed above.

FY 2020 – 1 - 4% COLA - \$31,208 – 128,543

The 1 - 4% COLA increase will cost approximately \$18,413 – 75,840 in wages, and \$12,795 – 52,703 in salary related benefits and insurance costs for a total ongoing increase of \$31,208 – 128,543 in all funds. These costs are in addition to the increases listed above.

FY 2021 – 1 - 4% COLA - \$32,457 – 133,685

The 1 - 4% COLA increase will cost approximately \$19,150 – 78,874 in wages, and \$13,307 – 54,811 in salary related benefits and insurance costs for a total ongoing increase of \$32,457 – 133,685 in all funds. These costs are in addition to the increases listed above.

Market Adjustment (1.79% in January 2017)

The agreement implements a 1.79% market adjustment for all classifications retroactive to January 1, 2017. In FY 2017, the total impact (including salary related benefits and insurance costs) is approximately \$27,047. FY 2018 will be the first full year with the market adjustment. The total estimated impact is \$68,603. This salary adjustment represents an ongoing expense with total financial impacts of \$77,941 to \$81,887 from FY 2019 – FY 2021.

The FY 2017 market adjustment costs were not included in the FY 2017 Adopted Budget. In addition, due to the timing of the settlement, these costs have not been built into the FY 2018 budget. The ability of DCA to cover retroactive payments will not be known until FY 2017 is closed out. Depending on the end-of-year financial status, DCA may need to request additional funds from the Board in FY 2018 to cover increased labor costs for FY 2017 and FY 2018. Future cost increases, will be covered through changes in internal service rates.

4. Explain any legal and/or policy issues involved.

None

5. Explain any citizen and/or other government participation that has or will take place.

N/A

Required Signature

**Elected
Official or
Department**

Director: Marissa Madrigal /s/

Date: July 5, 2017