



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 3/9/2015)

APPROVED: MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # R-5 DATE 9/7/17
MARINA BAKER, ASST BOARD CLERK

Board Clerk Use Only

Meeting Date: 9/7/17
Agenda Item #: R.5
Est. Start Time: 10:30 am
Date Submitted: 8/30/17

Agenda Title: **Approval of the 2016-2021 Collective Bargaining Agreement between Multnomah County and Int'l Union of Operating Engineers, Loc. 701**

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

Requested: September 7, 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, (others: IUOE Representative)

General Information

1. What action are you requesting from the Board?

Ratification of 2017-2022 collective bargaining agreement between Multnomah County and International Union of Operation Engineers, Local 701.

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, 2017. The parties bargained through 2 months of table negotiations (beginning in May 2017).

The highlights of this agreement are as follows:

- **COLA:**
 - July 1, 2017: 2.2% COLA
 - July 1, 2018: 1% to 4% COLA Adjustment
 - July 1, 2019: 1% to 4% COLA Adjustment
 - July 1, 2020: 1% to 4% COLA Adjustment
 - July 1, 2021: 1% to 4% COLA Adjustment

Market Adjustment

Agreed to reclass HVAC Engineer to HVAC Engineer Senior, and to establish a new HVAC Engineer classification. This will allow opportunity to hire staff with less experience than currently required, and create a promotion track. Additionally, agreed to wage adjustments effective date of ratification based on market analysis:

- **HVAC Assistant:** market adjustment of 6.33%
- **HVAC Engineer Senior:** market adjustment of 6.68%
- **Building Automation System Specialist:** market adjustment of 13.46%

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 2017-FY 2021). 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 IUOE 701 Contract by Proposal						
*All estimates are the new costs incurred in each year only and not cumulative ongoing costs plus new costs						
Proposal	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Total
COLA (FY 2018 2.2%, FY 2019 1-4%), FY 2020 1-4%, FY 2021 1-4%, FY 2022 1-4%)	\$31,442	\$14,599 to \$58,397	\$14,745 to \$60,733	\$14,893 to \$63,162	\$15,041 to \$65,689	\$90,720 to \$279,423
Market Adjustment ¹ (HVAC Engineer Senior- 6.68%)	\$76,159	\$762 to \$3,046	\$769 to \$3,168	\$776 to \$3,295	\$785 to \$3,426	\$79,251 to \$89,094
Market Adjustment (HVAC Assistant - 6.33%)	\$11,880	\$119 to \$475	\$120 to \$494	\$121 to \$514	\$122 to \$534	\$12,362 to \$13,897
Market Adjustment (Building Automation System Specialist - 13.46%)	\$13,553	\$135 to \$542	\$137 to \$564	\$138 to \$586	\$140 to \$610	\$14,103 to \$15,855
Total	\$133,034	\$15,615 to \$62,460	\$15,771 to \$64,959	\$15,928 to \$67,557	\$16,088 to \$70,259	\$196,436 to \$398,269

Article 15, Wages

FY 2018 – 2.2% COLA - \$31,442

The 2.2% COLA increase will cost approximately \$19,167 in wages, and \$12,255 in salary related benefits and insurance costs for a total ongoing increase of \$31,442 in all funds. These costs were anticipated in the FY 2018 budget.

¹ Market adjustments take effect upon ratification. The costing assumes July 1, 2017 ratification, meaning that actual new costs will be slightly less than reported in the first year of the contract.

FY 2019 – 1-4% COLA - \$14,599 - \$58,397

The 1-4% COLA increase will cost approximately \$8,905 - \$35,622 in wages, and \$5,694 - \$22,775 in salary related benefits and insurance costs for a total ongoing increase of \$14,599 - \$58,397 in all funds.

FY 2020 – 1-4% COLA - \$14,745 - \$60,733

The 1-4% COLA increase will cost approximately \$8,994 - \$37,047 in wages, and \$5,751 - \$23,686 in salary related benefits and insurance costs for a total ongoing increase of \$14,745 - \$60,733 in all funds.

FY 2021 – 1-4% COLA - \$14,893 - \$63,162

The 1-4% COLA increase will cost approximately \$9,085 - \$38,529 in wages, and \$5,808 - \$24,633 in salary related benefits and insurance costs for a total ongoing increase of \$14,893 - \$63,162 in all funds.

FY 2022 – 1-4% COLA - \$15,041 - \$65,689

The 1-4% COLA increase will cost approximately \$9,175 - \$40,070 in wages, and \$5,808 - \$25,619 in salary related benefits and insurance costs for a total ongoing increase of \$15,041 - \$65,689 in all funds.

Market Adjustment (HVAC Engineer Senior - 6.68%)

The agreement implements a 6.68% market adjustment for the HVAC Engineer Senior classification, effective upon contract ratification. In FY 2018, the total impact (including salary related benefits and insurance costs) is approximately \$76,159. The salary adjustment represents an ongoing expense. The small impacts in FY 2019 through FY 2022 are due to COLA adjustments on increase in salary.

Market Adjustment (HVAC Assistant - 6.33%)

The agreement implements a 6.33% market adjustment for the HVAC Assistant classification, effective upon contract ratification. In FY 2018, the total impact (including salary related benefits and insurance costs) is approximately \$11,880. The salary adjustment represents an ongoing expense. The small impacts in FY 2019 through FY 2022 are due to COLA adjustments on increase in salary.

Market Adjustment (Building Automation System Specialist - 13.46%)

The agreement implements a 13.46% market adjustment for the Building Automation System Specialist classification, effective upon contract ratification. In FY 2018, the total impact (including salary related benefits and insurance costs) is approximately \$13,553. The salary adjustment represents an ongoing expense. The small impacts in FY 2019 through FY 2022 are due to COLA adjustments on increase in salary.

The FY 2017 costs (excluding COLA) were not included in the FY 2017 Adopted Budget. In addition, due to the timing of the settlement, these costs (excluding COLA) have not been built into the FY 2018 budget. Depending on 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.

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:

August 30, 2017