

PDC

PORTLAND DEVELOPMENT COMMISSION

DATE: July 27, 2011

TO: Board of Commissioners

FROM: Patrick Quinton, Executive Director

SUBJECT: Report Number No. 11-62
Authorize One-Time Lump Sum Payment and Update PDC Personnel Policy Related to Benefits Changes for Non-represented Employees

EXECUTIVE SUMMARY

BOARD ACTION REQUESTED

Adopt Resolution No. 6900

ACTION SUMMARY

This action will (1) in lieu of a salary increase, authorize a one-time lump sum payment, as part of the first payroll in August 2011, equal to three and one-half percent (3.5%) of salary to each non-represented employee whose salary is below the top of his or her salary range and who was employed by PDC on both April 1, 2011, and August 1, 2011; and (2) amend the PDC Personnel Policy to permit a non-represented employee, under certain circumstances, to receive an advance of up to twenty hours of future accrued sick leave, and, effective November 25, 2011, to add the day after Thanksgiving to the list of paid holidays for non-represented employees.

In those key aspects described above, this action will provide for compensation (other than cost of living adjustments) and benefit changes for non-represented employees that are substantially equivalent to those provided to represented employees proposed under the new Collective Bargaining Agreement.

PUBLIC BENEFIT

Providing for substantially equivalent treatment of represented and non-represented employees in key aspects of compensation and benefits will promote harmony within the PDC workforce and thereby assist PDC in recruiting and retaining qualified employees.

This action will support the following PDC goals:

- Strong Economic Growth and Competitiveness
- Sustainability and Social Equity
- Healthy Neighborhoods
- A Vibrant Central City
- Effective Stewardship over our Resources and Operations, and Employee Investment

PUBLIC PARTICIPATION AND FEEDBACK

Not applicable.

COMPLIANCE WITH ADOPTED PLANS AND POLICIES

This action is consistent with the provisions of the new Collective Bargaining Agreement governing compensation and benefits for represented employees.

FINANCIAL IMPACT

The compensation and benefit adjustments for non-represented employees authorized by this action are consistent with PDC's FY 2011-12 Adopted Budget.

RISK ASSESSMENT

This action has no material risks. The economic impacts are already contemplated in PDC's FY 2011-12 Adopted Budget.

WORK LOAD IMPACT

This action has no material workload impact. Implementation of the compensation and benefit adjustments is already included in the work plans of existing staff.

ALTERNATIVE ACTIONS

The Board could choose not to authorize the compensation and benefit adjustments for non-represented employees or authorize different compensation and benefit adjustments for such employees, in which case the compensation and benefit structure for non-represented employees could be materially different from that of represented employees, in the areas that are the subject of this action.

CONCURRENCE

Not applicable.

BACKGROUND

At its July 27, 2011, meeting, the PDC Board will consider authorization for the Executive Director to execute a new Collective Bargaining Agreement between the Portland Development Commission and American Federation of State, County and Municipal Employees, Council 75, Local 3769 (the "CBA") Among other things, the CBA provides, in lieu of a step increase, for a one-time lump sum payment, as part of the first payroll in August 2011, equal to three and one-half percent (3.5%) of salary, to represented employees who are below the top step in their

salary range. The CBA also provides for an advance of up to twenty hours of future accrued sick leave to represented employees, subject to certain approvals, and, effective November 25, 2011, adds the day after Thanksgiving to the list of paid holidays for represented employees.

Under the CBA, if a represented employee terminates employment with a negative sick leave balance, that amount will be deducted from the employee's final paycheck.

This action authorizes a similar one-time lump sum payment to non-represented employees and amends the PDC Personnel Policy to allow non-represented employees to receive an advance of sick leave under similar circumstances and to add the day after Thanksgiving to the list of paid holidays for non-represented employees.