



PROSPER
PORTLAND
Building an Equitable Economy

DATE: July 10, 2019
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 19-33

Authorizing the Executive Director to Execute the Collective Bargaining Agreement Between Prosper Portland and American Federation of State, County, and Municipal Employees, Council 75, Local 3769

BOARD ACTION REQUESTED AND BRIEF DESCRIPTION

Adopt Resolution No. 7325

This action by the Prosper Portland Board of Commissioners (Board) will authorize execution of a successor collective bargaining agreement (CBA) between Prosper Portland and American Federation of State, County, and Municipal Employees, Council 75, Local 3769 (AFSCME). This CBA sets forth the terms of employment for Prosper Portland's represented employees and sets forth the wages and salaries for the period between July 1, 2019, and June 30, 2022. A summary of the primary economic changes to provisions of the CBA can be found in Attachment A.

STRATEGIC PLAN ALIGNMENT AND OUTCOMES

Executing the CBA will deliver on Prosper Portland's Strategic Plan goal to operate an equitable, innovative, and financially sustainable agency by both investing in and ensuring employee development that is consistent with the Financial Sustainability Plan.

BACKGROUND AND CONTEXT

On May 1, 2007, in a vote conducted by the State of Oregon Employment Relations Board, eligible Prosper Portland employees elected to be represented by AFSCME. Successor CBAs were reached and approved by the Prosper Portland Board through Resolution No. 6899 on July 27, 2011; through Resolution No. 7021 on August 20, 2013; and through Resolution No. 7186 on June 8, 2016. The 2016 CBA has been in place and will expire according to its terms on June 30, 2019. Pursuant to state and federal labor laws, Prosper Portland continued to use the CBA as the basis for its contractual relationship with its represented employees, until such time as a new CBA was reached. After four months of negotiations, Prosper Portland management and AFSCME have reached agreement on the terms of a proposed new CBA, which is being submitted to the Prosper Portland Board for approval. On June 26, 2019, represented employees voted to ratify the new CBA by a vote of 47-0.

The primary changes in the new CBA are:

1. Wages/Salaries (Article 35): Updated cost of living increases and salary steps (see Attachment A to this report and Schedule A to the CBA for details).
2. Coaching Assignment (Article 35): Added section; temporary three percent salary adjustment for staff requested to provide coaching support of another employee's performance improvement.

3. Vacation (Article 38): Added section; allows for employees to cash out up to 40 hours of vacation leave annually, so long as they retain a minimum of 40 hours in their sick leave bank.
4. Benefits (Article 39): Added section; an “opt-out” clause for employees who have alternative health coverage from another source.
5. Merit Leave (Article 41): Language revision; an employee who receives a “fully successful” rating on their most recent performance review receives eight hours of merit leave.
6. Education Fund (Article 29): Language revision; fund extended the term of new contract; annual cap reduced from \$30,000 to \$20,000 with agency contributing up to \$10,000 each year.
7. Trial Service Period (TSP) (Article 32): Language revision; provides management ability to unilaterally extend an employee’s TSP.

Minor or clarifying language changes were also made to the following articles:

1. Union Security (Article 4)
2. Dues Check-off (Article 5)
3. PEOPLE Committee (Article 6)
4. Employee Evaluation and Performance (Article 11)
5. Reclassification (Article 25)

Prosper Portland staff recently developed six cultural agreements that identify the culture the agency aspires to embody. Using this framework as a guide in Prosper Portland’s work, the CBA negotiating team agreed to use Interest Based Bargaining (IBB) to negotiate the successor agreement as opposed to traditional bargaining, which can often become adversarial or position-based. For this round of negotiations, the IBB approach was helpful in assisting the parties with framing their issues, identifying interests, and developing solutions in a consensus-based approach to reach agreement.

EQUITY IMPACT

Executing the CBA allows Prosper Portland to continue to offer its employees competitive salaries and benefits in recognition of the work they do to implement the agency’s Strategic Plan and equity objectives.

COMMUNITY PARTICIPATION AND FEEDBACK

Represented employees of AFSCME voted to ratify the proposed contract on June 26, 2019. There was no other formal public participation.

BUDGET AND FINANCIAL INFORMATION.

The wages, salaries, benefits, and other economic terms of this agreement are consistent with Prosper Portland’s adopted budget for fiscal year (FY) 2019-20 and the anticipated revenues and budget for FY 2020-21. The salary and benefit provisions of the CBA, when combined with Prosper Portland’s intent to implement similar salary and benefit packages for non-represented employees, are projected to be in line with the agency’s five-year budget and forecast.

RISK ASSESSMENT

The Prosper Portland Board could choose to not approve the CBA or request modifications to the CBA, in which case Prosper Portland management and AFSCME would recommence negotiations.

ATTACHMENTS

- A. Summary of Primary Economic Changes to Provisions of the CBA

SUMMARY OF PRIMARY ECONOMIC CHANGES TO PROVISIONS OF THE CBA

Step Increases:

- 2019-2020: A 3.5 percent step increase for those rated “fully successful” or better and who (i) are not already at the top of their pay range and (ii) have been in their current position for at least four months.
- 2020-2021: A 3.5 percent step increase for those rated “fully successful” or better and who (i) are not already at the top of their pay range and (ii) have been in their current position for at least four months.
- 2021-2022: A 3.5 percent step increase for those rated “fully successful” or better and who (i) are not already at the top of their pay range and (ii) have been in their current position for at least four months.

Cost of Living Increases:

- 2019-2020: 2 percent
- 2020-2021: 2 percent
- 2021-2022: 2 percent