



CITY OF PORTLAND
OFFICE OF MANAGEMENT AND FINANCE
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May 20, 2008

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TO: Mayor Potter
Commissioner Adams
Commissioner Leonard
Commissioner Saltzman
City Auditor Blackmer

FROM: Yvonne L. Deckard *[Signature]*
Director, Bureau of Human Resources

RE: PFFA Labor Agreement – Ratification

It is expected that this ordinance will be placed on the Council's regular agenda for June 4, 2008. Yvonne Deckard, BHR Director, is the Contact Person for this Ordinance.

Pursuant to its obligations under ORS 243.650 et seq. the City entered into successor collective bargaining agreement negotiations with the Portland Fire Fighters Association (PFFA). The PFFA is the bargaining agent for sworn personnel of the Portland Fire Bureau, excluding the Fire Chief, Fire Marshall, Division Chiefs, Deputy Chief and Assistant Fire Marshall. The parties previous labor agreement expired on June 30, 2007; the parties have been without a labor agreement since that time.

Attached is the Tentative Agreement negotiated between the City of Portland and the PFFA. If ratified, this Tentative Agreement will establish the terms and conditions for a labor agreement for the period July 1, 2007 through June 30, 2010.

The PFFA will complete its ratification process before City Council's review and consideration of the attached ordinance. In the event PFFA does not ratify the Tentative Agreement, the City will withdraw this ordinance from consideration.

Highlights of the Tentative Agreement include the following:

Wages

The Tentative Agreement provides for a wage increase effective July 1, 2007 of 2.7% based on a CPI-W formula, and a wage increase effective July 1, 2008 of 3.8% based on the CPI-W formula. A similar wage increase, also based on a CPI-W formula that provides for a minimum increase of 2% with a maximum increase of 5%, would become effective July 1, 2009.

The cost of the increased contribution will be included in the Wage and Compensation set aside.

Benefits

The Tentative Agreement maintains health care benefits at the same distribution level as in the previous collective bargaining agreement. This formulation constitutes a presently realistic combination of cost containment incentives, meaningful cost-sharing by employees, and resources provided by City.

We Are An Equal Opportunity Employer

Please notify the City of Portland of the need for ADA accommodations no less than five (5) business days prior to any City-sponsored event by contacting the Bureau of Human Resources at 503-823-3572 or the City's TTY at 503-823-6868.

Premiums

The Tentative Agreement provides premiums for certain specialist certifications and assignments. The Tentative Agreement provides a phased-in 3.0% premium for Apparatus Operation certifications with a corresponding provision for loss of driving privileges, and establishes premiums for assigned duties related to Land-based Marine, Water-based Marine, and Dive Rescue. It also revises existing rates for Fire Investigator standby and Fire Investigation Canine Handler.

Longevity

The Tentative Agreement also revises the structure of the Longevity benefit to more closely resemble other public safety longevity structures and to insure structural and total compensation comparability to like statutorily comparable cities.

Death Benefit

The Tentative Agreement increases the death benefit for a sworn member killed in the line of duty. This provision had not previously been adjusted for several contract cycles.

Leaves

The Tentative Agreement clarifies the use of funeral leave, union president leave where the union president is on a 52.08 hour/week schedule, and Trustee attendance of board meetings of the Pension Board.

Tuition Reimbursement

The Tentative Agreement increases the level of reimbursement from the cost of 9 hours per quarter to 12 hours per quarter, and increases eligible reimbursable hours to 13.5 hours per quarter.

Recommendation

This tentative agreement is the product of long and hard negotiations, and represents a reasonable compromise of the City's and PFFA's interests as balanced against the risks inherent in interest arbitration.

I am pleased to recommend that the City Council ratify the Tentative Agreement.

cc: Ken Rust

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| Date submitted to Mayor's Office: | May 20, 2008 |
| Date the ordinance will be heard by Council: | June 4, 2008 |
| Bureau name and contact person: | Office of Management and Finance Bureau of Human Resources Yvonne L. Deckard, Director x3-3506 |
| Is item routine in nature: | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (explained in memo) |
| Financial impact Stmt included? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> Not Required |
| Consent or Regular agenda | <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Regular |