

LETTER OF AGREEMENT

The parties to this Letter of Agreement are the City of Portland (City) and the City of Portland Professional Employees Association (COPPEA).

BACKGROUND

1. COPPEA is the sole collective bargaining agent for the classifications of Engineering Associate, Senior Engineering Associate, and Engineer.
2. The terms and conditions of employment for these classifications are set forth in the parties' July 1, 2007 to June 30, 2010 Labor Agreement.
3. The Chief Engineers for the Bureaus of Environmental Services, Transportation and Water requested the Bureau of Human Resources (BHR) to review the adequacy of current wage structure for the classifications for the engineering series including the classifications listed above. Bureau Directors from each of these bureaus supported this review.
4. BHR Classification and Compensation staff determined the compensation for represented and non-represented engineering classifications was reasonably related to compensation for similar classifications in other jurisdictions. However, a series of meetings with the Chief Engineers and others convinced BHR that the City, as an employer, has a significant issue with recruitment and retention of qualified engineers. The cause of this is threefold: the current wage structure, the limited supply of qualified engineering applicants, and the expanded wage structure of the private sector. It is not expected that there will be an increase in qualified engineering candidates to alleviate this shortage.
5. There is significant pressure to promote current employees in order to retain them. Recruitment pay incentives available for candidates for these classifications are not available to COPPEA-represented employees seeking promotion to these positions. This can result in a new hire to a classification being appointed at a higher pay step than an employee who promotes to the same classification.

AGREEMENT

1. The parties agree to amend the current wage schedule for the Engineer, Senior Engineering Associate and Engineering Associate classifications, effective July 1, 2008, as set out in the attached Engineering Series Wage Schedule. The affect of this amendment is described below.
 - a. Effective July 1, 2008, the salary steps for the Engineer and Senior Engineering Associate classifications will be adjusted by approximately three percent (3%). Two (2) additional salary steps will be added to the salary rates for each classification. Each new step will be five percent (5%) greater than the preceding step.
 - b. Effective July 1, 2008, the salary steps for the Engineering Associate classification will be adjusted by approximately three percent (3%). The current Step 1 will be eliminated and the remaining steps will be renumbered accordingly. A new Step 7 will be added and will be five percent (5%) greater than the new Step 6.
 - c. Employees in the Engineer and Senior Engineering Associate classifications will remain on their current steps and maintain their current salary anniversary dates. Employees in these

classifications will advance to the next step of salary range on their salary anniversary date that occurs on or after July 1, 2008 until they reach the maximum of the new salary range.

d. Effective July 1, 2008, with the exception of those employees on Step 1 of the current salary range, employees in the Engineering Associate classification will be placed on the salary step of the new range that is one (1) step below their step on the current range, e.g., an Engineering Associate presently on the Step 6 of the current salary range will be placed on Step 5 of the new salary range. Employees in this classification will advance to the next step of the salary range on their salary anniversary date that occurs on or after July 1, 2008 until they reach the maximum of the new salary range.

e. Employees on Step 1 of the current salary range for the Engineering Associate classification will remain on Step 1 of the new salary range. They will advance to Step 2 of the new salary range on their salary anniversary date on or after July 1, 2008.

2. Article 19, Section 1, Wage Schedule, will be amended as follows:

The wage schedule set out in Schedule B of this agreement which are incorporated herein and attached hereto shall be the only wage rates. For employees promoted during the term of this agreement, if the employee's salary prior to promotion is greater than or equal to the entry level for the higher classification, the employee's salary upon promotion shall be at the lowest step which results in a minimum three percent (3%) increase in pay. Progression from one salary step to the next, within a job classification, shall be on an annual basis.

Based upon bona fide recruitment need, employees promoted during the term of this agreement may be placed on a step up to the midpoint of the salary range for the higher classification if approved by the director of the bureau. If the midpoint of the range is not on a step, placement shall be to a step below the midpoint. Placement on a step above the midpoint of the salary range for the higher classification may be made with the approval of the Director of the Bureau of Human Resources.

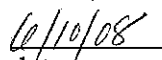
The pay ranges for employees in the Information Technology classifications are set out in Schedule C of this agreement which are incorporated herein and attached hereto. For employees promoted to a classification with a higher maximum pay range during the term of this agreement, the employee shall be placed at the entry rate for the higher pay range, or at a pay rate in the higher pay range which gives him/her a five percent (5%) pay increase, not to exceed the maximum of the pay range, which ever is greater. Employees in these classifications shall be evaluated and receive pay increases based on the City's Performance Management System (Human Resources Administrative Rule 9.02) until the employee reaches the maximum of the pay range for his/her classification.

The parties acknowledge that this Letter of Agreement has been crafted to address the special circumstances referenced herein. Therefore, the parties stipulate that the terms of this Letter of Agreement shall not establish any precedent whatsoever.


This agreement shall not be effective until approved by ordinance by the Portland City Council.

For the Association:


Mark Bello, President

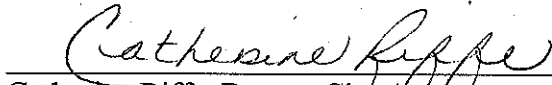

date

For the City:


Yvonne L. Deckard, Director

6/11/08
date

Approved as to Form:


Catherine Riffe, Deputy City Attorney

6-11-08
date

COPPEA Represented Engineering Series Wage Schedule

July 1, 2008 – June 30, 2009

Classification	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Engineer	\$37.41	\$39.28	\$41.24	\$43.30	\$45.47		
Engineering Associate, Sr.	\$32.34	\$33.93	\$35.63	\$37.41	\$39.28	\$41.24	
Engineering Associate	\$26.59	\$27.91	\$29.30	\$30.78	\$32.34	\$33.93	\$35.63

The rates above include the July 1, 2008 Cost of Living Adjustment required by the July 1, 2007 – June 30, 2010 Labor Agreement.