



Labor Relations Overview

Collective Bargaining Process and Current Landscape



Labor Relations: A Major Workforce Driver

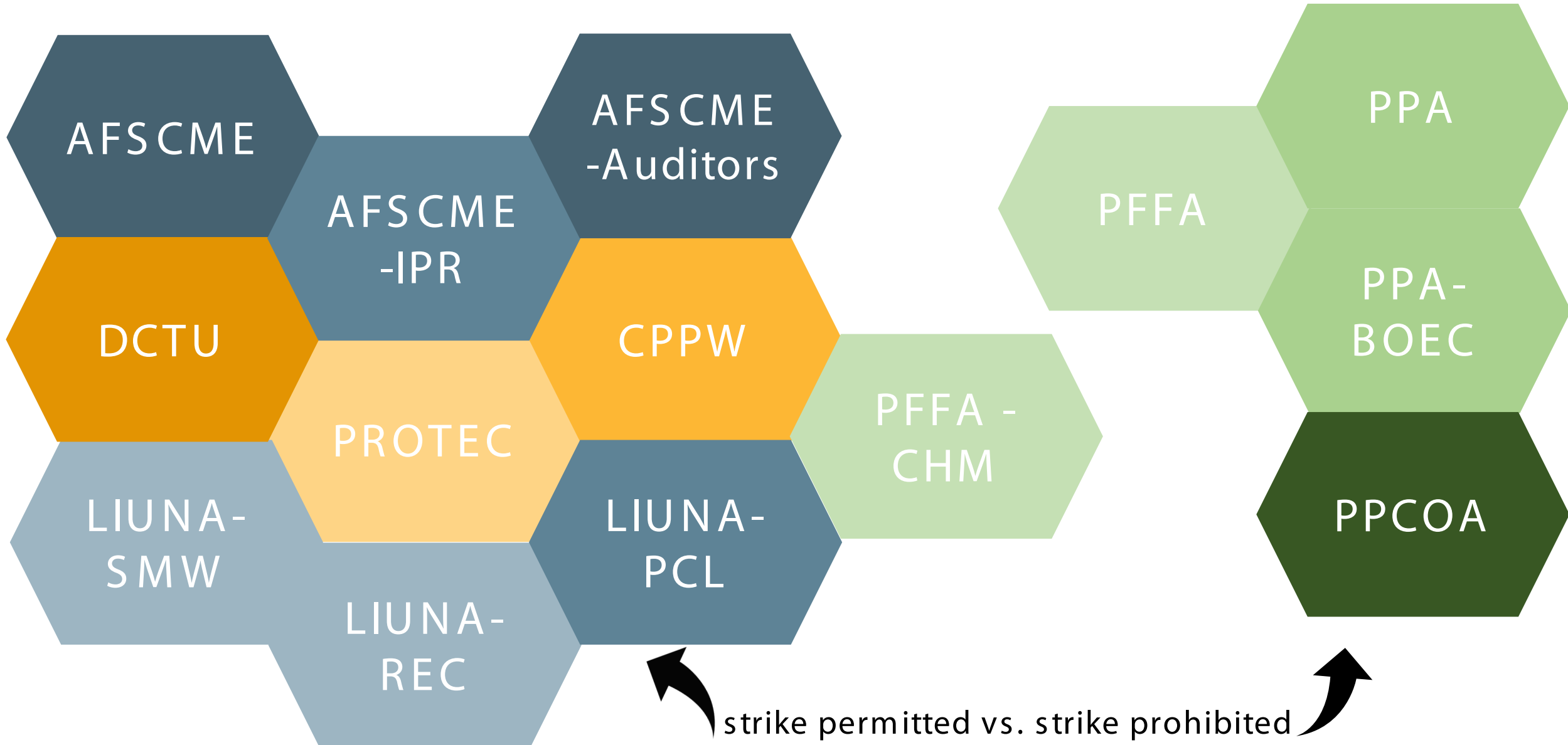
7,500
STAFF

90% represented by 14 bargaining units

Labor Contracts...

- Establish pay, benefits and working conditions for represented staff
- Negotiations impact cost of labor, operational flexibility and management discretion
- Shape recruitment, retention and workplace culture
- Impact the City's budget

Collective Bargaining Agreements (CBAs)



Bargaining Unit Members Across the City

Bargaining Unit	Number of Members
AFSCME	991
PROTEC	953
Rec Laborers	841
PPA	801
CPPW	700
PFFA	700
City Laborers	698
PPA BOEC	117
DCTU-IBEW	86
SMW Laborers	85
DCTU-Mech 1005	59
DCTU-HOUSING189	51
DCTU-OpEng	28
PPCOA	27
DCTU-Plumbers	14
AFSCME IPR	11
DCTU-Painters	7

Labor Relations Terminology

Public Employee Collective Bargaining Act (PECBA): Oregon law that covers collective bargaining for public employees and employers

Bargaining unit: Group of employees represented by a union

Represented employee: City employee who is part of a bargaining unit.

Non-represented employee: Employee who is not part of a bargaining unit.

Direct dealing: Talking to a represented employee about wages, hours or other terms and conditions of employment.

Lead negotiator: Only person authorized to negotiate with Union on a collective bargaining agreement.



State of Oregon's Employment Relations Board

Provides three main services to public employers and labor organizations:

- Handling union requests to represent employees or clarify union membership
- Providing mediation services
- Holding hearings on disputed issues



Union Roles and Structures



Union Members



Shop Stewards



Union Organizers



Business Reps
(local & councils)



Presidents &
Vice Presidents

Union Role in the Workplace

- Right to bargain over mandatory subjects
- Right to represent members in meetings that may lead to disciplinary action
- Reasonable paid time for union activity during work hours
- Right to pursue and settle grievances and unfair labor practice complaints



City Bargaining Roles and Structure



Mayor & City
Council



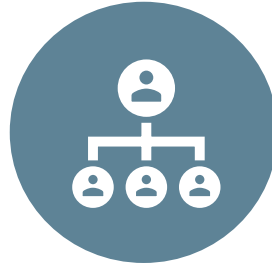
City
Administrator



HR Director &
Labor Relations Team



City Attorney's
Office



Directors, Managers
& Supervisors



City
Employees

Types of Negotiations

- First Contract Negotiations
- Successor Bargaining
- Interim Bargaining
- Memorandums of Understanding
- Letters of Agreement

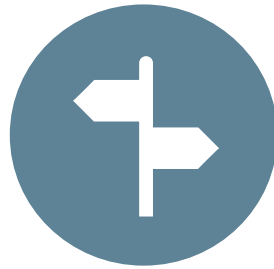


Subjects of Bargaining



Mandatory

Wages, hours,
leaves, grievance
procedure, working
conditions



Permissive

Management rights,
evaluations, employee
expectations, staffing
levels, duties assigned

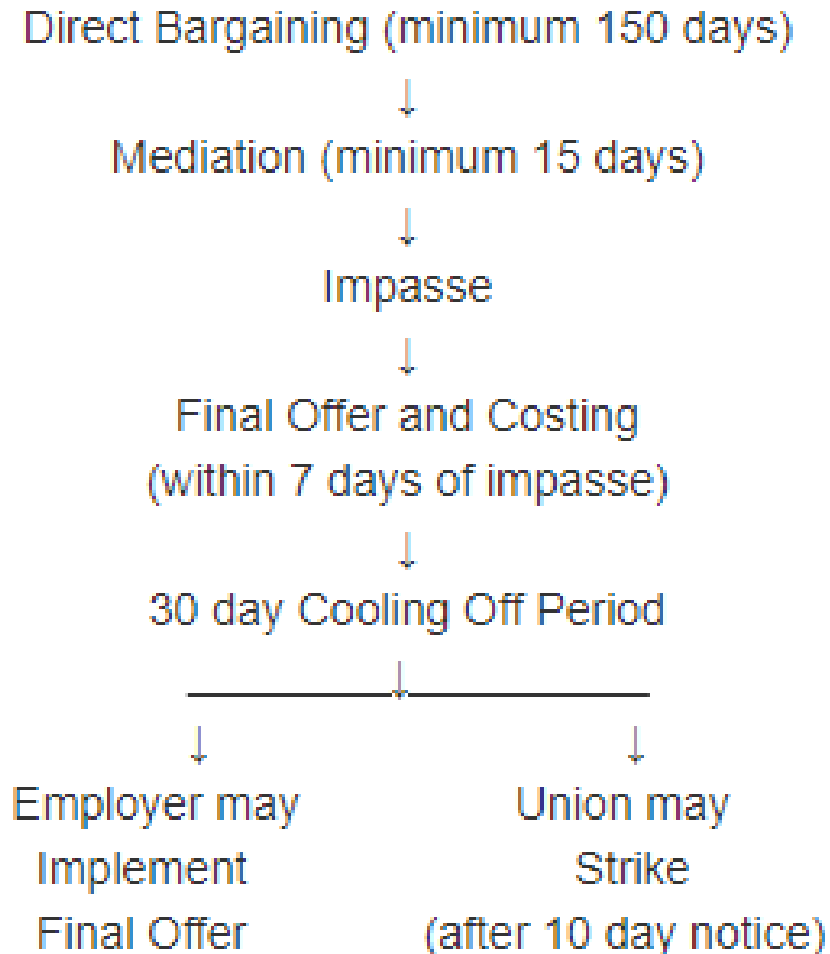


Prohibited

Conflicts with existing
laws or statutes

Bargaining Timelines

Strike Permitted Units



Strike Prohibited Units



Unfair Labor Practices (ULP)

Conduct prohibited by state law. Employment Relations Board is the agency that interprets and enforces the law. Consequences include being ordered to stop; some cases may include compensation for damages.

Employer Examples	Union Examples
Interfere with or restrain employees from exercising their union rights	Refuse to bargain collectively in good faith with the public employer
Dominate, interfere with or assist in formation or operation of any employee organization	Refuse to put an agreement into writing and sign it
Refuse to bargain collectively in good faith	Violate the provisions of any written contract related to employment conditions
Refuse or fail to comply with arbitration award	

Guiding Principles for Bargaining



Respect: Honor employees' service and expertise by providing fair compensation, benefits and working conditions.



Workforce Competition: Attract and retain a talented, diverse workforce.



Financial Stewardship: Make the most of taxpayers' resources to fund services that make Portland safe, healthy and livable.



Shared Responsibility: Ensure that all employees share equitably in the impacts of economic factors outside the City's control.

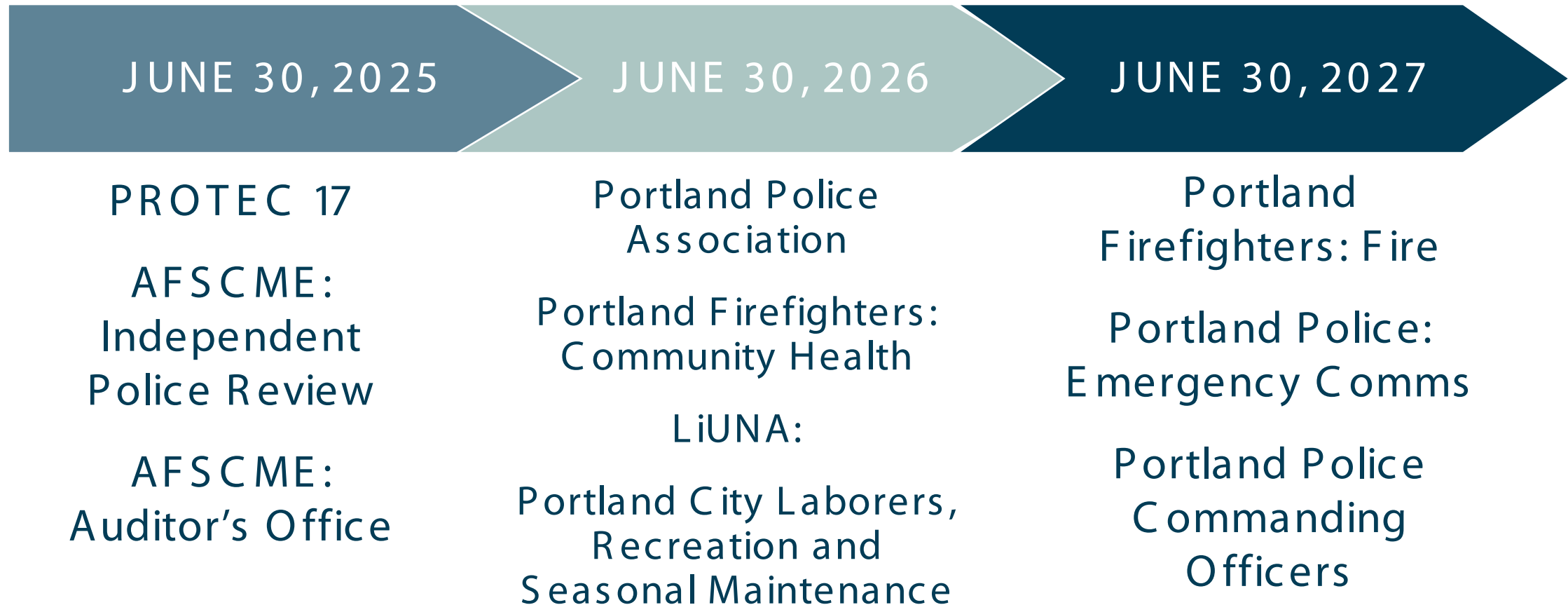


Rules and Regulations: Follow all laws and best practices for labor negotiations.

Labor Landscape: Active Negotiations

	Contract Expiration	Members	Bureaus
City of Portland Professional Workers	New	770	PBOT, Police, Environmental Services, Permitting & Development, Water, Planning & Sustainability, City Administrator's Office
District Council of Trade Unions	Dec. 31, 2024	190	Fleet & Facilities, PBOT, Water, Permitting & Development
American Federation of State, County and Municipal Employees	New independent contract	1,060	Budget & Finance, Permitting & Development, Police, Water

Labor Landscape: Coming Later



Average Earnings and Compensation: Fiscal 2023-24

AFSCME 189

\$ 87,251 average total earnings
\$ 138,529 average total compensation

Average total earnings includes base wages, premiums and overtime.

CPPW

\$ 102,305 average total earnings
\$ 158,850 average total compensation

Average total compensation includes earnings and benefit contributions, such as health insurance, PERS, Social Security, Medicare and more.

DCTU

\$ 101,625 average total earnings
\$ 157,932 average total compensation

Common Issue: Rising Healthcare Costs

- Medical inflation at 13-year high
- Treatments/medications becoming more advanced and expensive
- Care needs delayed and exacerbated by pandemic
- One-time funds from the City and employee surcharge are subsidizing rates for the 2024-25 plan year



Addressing Healthcare Costs

Labor Management Benefits Committee (all except Police)

- April 2024 letter of agreement that set employee surcharge commits parties to make changes for 2025
- Mediator working to identify shared values, areas of agreement

+18%



Projected cost increase to renew medical plan for 2025-2026 year (could shift over next few months)

Portland Police Association Benefits Board

- 2024 letter of agreement that preserved rates for 2024 does not require contract changes

+21%



Projected cost increase to renew medical plan for 2025-2026 year (could shift over next few months)



Dramatic plan redesign and network changes will be needed to bring down medical plan renewal costs to an 8% increase.



City of Portland Bargaining Update



CPPW

City of Portland Professional Workers

Snapshot of CPPW: 773 City Employees

PARKS
88 Staff

PBOT
85 Staff

BES
84 Staff

PUBLIC
SAFETY
32 Staff

PERMIT
& DEVT.
27 Staff

CITY
ADMIN
OFFICE
22 Staff

POLICE
79 Staff

WATER
69 Staff

BUDGET &
FINANCE
65 Staff

222 Additional Staff
Spread across 15 more bureaus
and offices, spanning almost
every part of the City

Status: City of Portland Professional Workers

- City's newest bargaining unit
- 19 bargaining sessions between March and December
- Passed the required 150 days of bargaining Aug. 1
- CPPW raised interest in moving to Mediation during December 4th session
- Next bargaining session December 17th

Proposals Comparison: CPPW



UNION PROPOSALS

4% and 5% across-the-board increases

Wage recalibration for targeted positions

2% longevity after 10 years, 4% after 12 years

5% Lead worker premium

Language pay from \$ 1/hour to 5% premium

Certifications/Licensures – 5% premium

COLA thru July 2026 – 2% -7%

\$17 million above COLA



CITY PROPOSALS

\$ 100,000 professional development fund

COLA up to 3% consistent with CPI

2025 – 2% Merit Increase

Class/comp study reopener on wages and layoffs

Management leave sunset with contract;
placeholder on discussion to use accrued leave.

\$940,000 above COLA



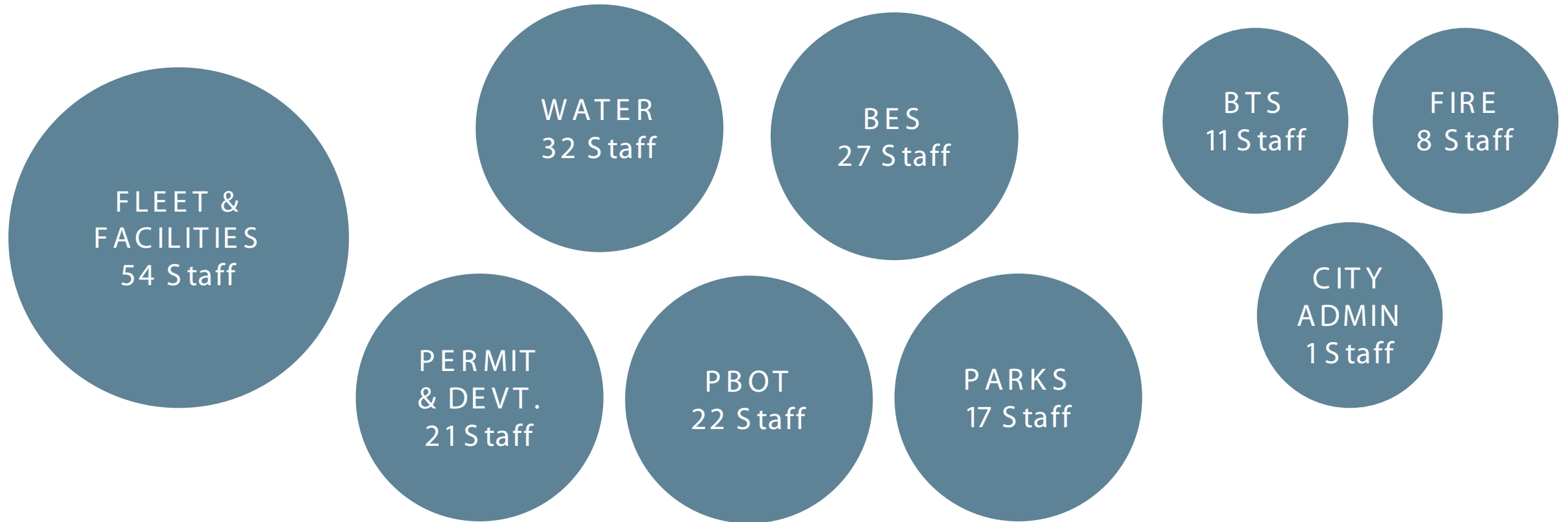
City of Portland Bargaining Update



DCTU

District Council of Trade Unions

Snapshot of DCTU: 193 City Employees



Status: District Council of Trade Unions

- 15 bargaining sessions between April and December
- Passed the required 150 days of bargaining Sept. 15
- Jointly agreed to request mediation Sept. 19
- Weekly bargaining sessions continuing
- First mediation session was held on Nov. 25
- Next mediation session scheduled for December 13th



Proposals Comparison: DCTU

UNION PROPOSALS

Across the Board Wage Increases (2-18%)

Increased tool allowance

Add Longevity Pay 1-5%, starting in year 5-25

Rolling comp time bank to 160 hours, up from 80

Hour-for-hour deferred holiday (essential employees)

Standby pay increased from 18 to 28 hours/ week

5 more personal holidays for in-person staff; paid holidays for Indigenous People's Day, Christmas Eve

**Pending Full Economic Proposals
(Estimated \$16 million)**



CITY PROPOSALS

Shift differential increase

Hour-for-hour deferred holiday, capped at 10 days/year

Clothing allowance increase

PDF decrease to adjust to AFSCME exit

Maintain COLA 1-5% range

1% Longevity Premium

1% increase on water certifications for Op Engineer III

\$4.3 million above COLA



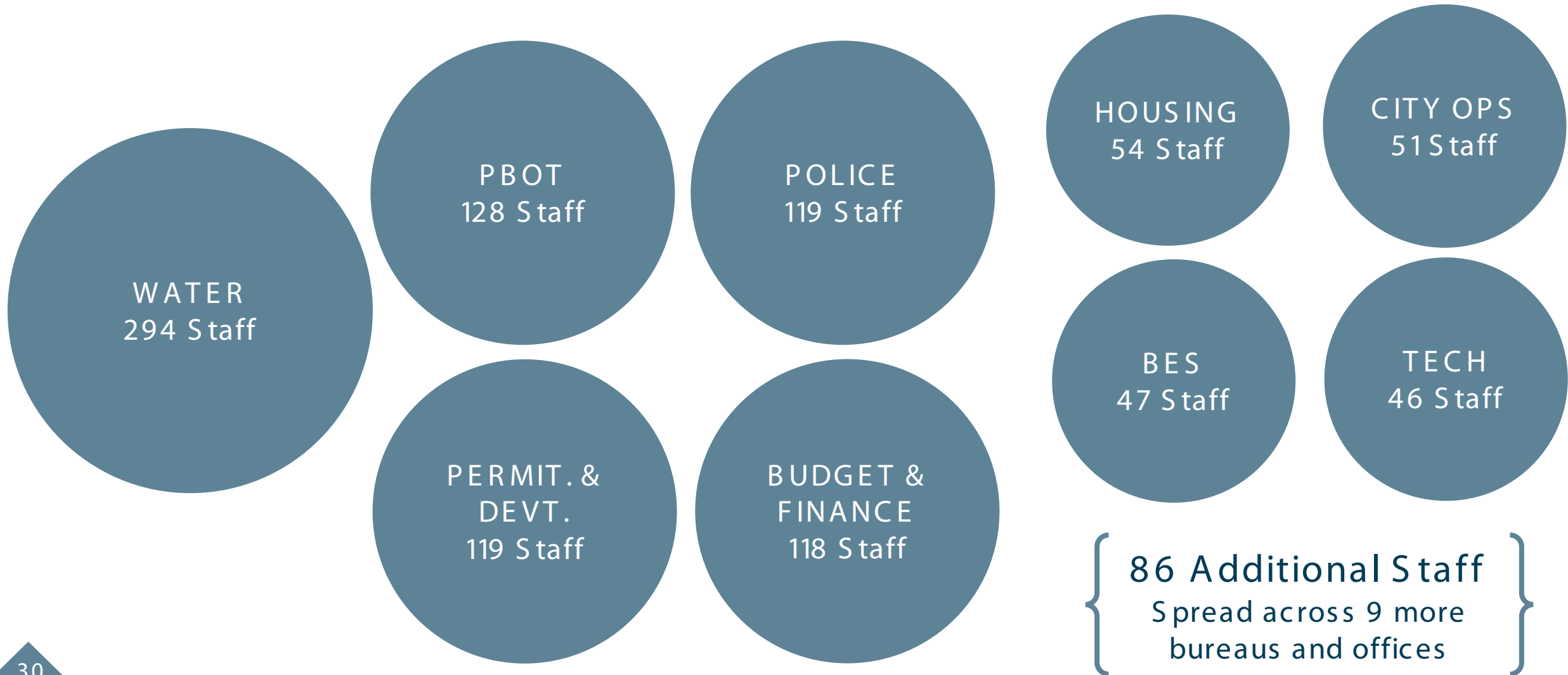
City of Portland Bargaining Update



AFSCME 189

American Federation of State,
County and Municipal Employees Local 189

Snapshot of AFS CME: 1,062 City Employees



Status: AFS CME

- 17 bargaining sessions between May and November
- Passed required 150 days of bargaining Oct. 11; union requested mediation
- First mediation scheduled for Dec. 12th
- Additional session scheduled for December 17th

Proposals Comparison: AFS CME



UNION PROPOSALS

Broad wage adjustments

Full accruals on Paid Leave Oregon

Minimum COLA of 3.5%, no ceiling

Voluntary Employee Beneficiary Assoc. - City pays 1%

2% longevity after 10 years

5% residency premium

Paid Lunches (In-Person)/ Daily Lunch Voucher(Hybrid)

\$149 million (3.5-year agreement)



CITY PROPOSALS

Targeted wage adjustments

Increase to shift differentials

Longevity after 10 years - 1% in 2025, increasing to 2% in 2027

2% pay increase for water certification (10 people)

Clothing allowance increase from \$250 to \$350/ year

Eligibility for personal holidays: 30 days vs. 6 months

\$4.4 million (3.5-year agreement)

Human Resources Administrative Rules

- Personnel rules adopted by City Charter or Code
- Governed by Human Resources
- Violations can result in discipline, including termination of employment
- Key rules include:
 - Workplace harassment and discrimination
 - Drugs and alcohol
 - Information technology
 - Use of City resources
 - Workplace violence

Questions and Discussion

