

LETTER OF AGREEMENT FOR COVID-19 IMPACTS FOR Laborers' International Union of North America (LiUNA), Local 483 AND CITY

LETTER OF AGREEMENT FOR COVID-19 IMPACTS

The parties of this Agreement are the City of Portland (City) and Laborer's International Union of North America (LiUNA), Local 483

BACKGROUND

1. On March 8, 2020, Oregon Governor Kate Brown declared a State of Emergency in response to the increasing concern with Coronavirus (COVID-19) within the state.
2. On March 23, 2020, Oregon Governor Kate Brown issued an Executive Order to, "Stay Home, Save Lives". This order limited non-essential gatherings and closed non-essential business across the City of Portland which has resulted in an unprecedented impact on the City's financial standing.
3. The parties to this agreement believe it to be in the best interest of the Union and the City to come together to address situations of financial hardship.
4. LiUNA and the City are parties to the Portland City Laborers and Recreation collective bargaining agreement which are in effect until June 30, 2021, and the Seasonal Maintenance Workers collective bargaining agreement which is in effect until June 30, 2022.
5. LiUNA and the City recognize that COVID-19 has created uncertainty with regard to both revenue and operations. However, they agree that maintaining staff and public services is a priority, and pledge to continue to work together to do so in a manner that minimizes the financial impact to LiUNA represented employees, some of whom are among the lowest paid and most vulnerable employees in the City. Both parties recognize that avoiding layoffs supports the retention of a diverse workforce and efforts to increase access to public sector employment for women and people of color.
6. The measures taken in this Agreement are intended to allow the City to the greatest extent possible to meet its financial obligations while retaining employees and maintaining the delivery of City services.
7. The measures taken in this agreement are intended to be short-term, however, the full financial impact resulting from the COVID 19 Pandemic is yet to be determined.

AGREEMENT

The parties hereby agree as follows:

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1. Unless otherwise stated in this paragraph, employees covered by this Agreement shall take eight (8) furlough days, or a total of 64 hours, of unpaid leave under the terms as follows:
 - a. Furlough must be completed by October 31, 2020;
 - b. Furloughs are defined as a temporary mandatory unpaid leave of absence;
 - c. The City shall apply to the State of Oregon's Work Share program for acceptance on behalf of all employees covered by this Agreement;
 - d. If the City's application to the Work Share Oregon program on behalf of employees covered by this Agreement is accepted by the State, then employees who are not eligible for the Work Share Oregon program shall be required to take only four (4) furlough days for a total of thirty-two (32) hours of unpaid leave;
 - e. Employees shall be allowed to begin taking the required furlough days in the current (2019-20) fiscal year;
 - f. Employees shall work with their manager to schedule furlough days in a manner that is, to the extent possible, mutually agreeable, and in a manner that does not unduly interfere with business operations or cause overtime costs for the bureau. Managers will decide whether to approve requested furlough days, but employee requests will only be denied if they affect operations and will not be unreasonably denied. Employees will be allowed to request specific furlough dates with notice of at least three (3) days prior to the requested date. For the duration of this agreement, Article 15.2.3 of the Portland City Laborers collective bargaining agreement and Article 13.2.3 of the Recreation collective bargaining agreement will be lifted for the purposes of furlough days so as to allow employees to take furlough days adjacent to a holiday(s) without forfeiting holiday pay. Requests made by employees receiving benefits under Work Share Oregon will be subject to the requirements of the Work Share program;
 - g. City bureaus may elect to designate up to forty hours (40) of furlough time on specific days. In the event that the City opts to close a facility or workgroup or otherwise designate specific furlough days, such furlough days shall not occur more than one day per week so that the weekly negative financial impact to employees covered by this Agreement is kept to a minimum;
 - h. No employee will lose their healthcare coverage solely due to the taking of furlough days provided that they remain an employee of the City and are not laid-off, retire, or are otherwise separated from City service.
 - i. In the event the City's Work Share Oregon application is approved prior to the ratification of this Agreement and to the extent allowed by the Work Share program, employees covered by this agreement will be allowed to take furlough days under the Work Share Oregon program and such furlough days/hours will be credited against the required eight (8) furlough days or sixty-four (64) hours mandated in this Agreement. Both parties must first sign this Tentative Agreement prior to this subparagraph's application to employees, and the terms for taking furlough days under this paragraph shall be complied with.

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- j. Employees who provide written notice of retirement on or before any furlough is scheduled, will not be required to furlough, so long as they retire by January 31, 2021. Any employee who provided such notice but does not retire by the date stated in this paragraph shall be immediately required to take the furlough days/hours as described in this paragraph.
2. For the 2020-2021 fiscal year, employees covered by this Agreement shall not receive any step increases provided for in their collective bargaining agreement.
3. The parties will meet and confer on a monthly basis to assess the financial situation and consider whether the existing economic situation allows for reasonable actions that can be taken to remediate the impacts of the steps taken in this Agreement or if further steps are necessary to attempt to avoid layoffs. In considering whether the City's economic situation has worsened and layoffs might be necessary or bettered sufficiently to allow for remediation of the impacts of the terms in this Agreement, the parties will look in January of 2021 to see if the citywide discretionary General Fund forecast is five (5) percent below or above the required expenditures to meet ongoing current service levels, as defined by the Current Appropriation Level (CAL) plus required expenditures for legally mandated obligations. Consideration of remediation shall include remediation for all City employees who have been subject to wage cuts and/or wage freezes, such as furloughs, cost of living allowance (COLA) freezes, and freezes in merit raises or step increases. Nothing in this paragraph changes the existing right of the City to exercise a reduction in force, and in the event this is necessary then the parties will meet and discuss the economic impact and, by mutual agreement, will put forth a good faith effort to arrive at alternatives to a reduction in the workforce.
4. The parties agree the intent of personnel savings within a bureau is to support the protection of represented positions within that bureau. The savings gained by the City from the concessions in this Agreement will be used to avoid the layoff of employees covered by this Agreement.
5. This agreement is not applicable to any employees covered by the Seasonal Maintenance Worker collective bargaining agreement.
6. This Agreement is applicable to following classifications within the Recreation collective bargaining agreement: Recreation Leader, Facility Tech, Recreation Coordinator I, and Recreation Coordinator II. However, any employee who is in layoff status as of the ratification of this Agreement shall not be subject to the furlough days herein. The City shall provide to the Union a list of all current Recreation employees no later than two weeks after ratification.

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7. This agreement is applicable to all classifications in the Portland City Laborer's collective bargaining agreement except for:
 - a. Employees in the Storekeeper series who are covered by this Agreement;
 - b. Employees in the Automotive Equipment Operator II: Tractor-Trailer who are covered by this Agreement;
 - c. Employees within the Bureau of Environmental Services;
 - d. Except that the following classifications within the bureaus listed shall be subject to the furlough provisions in paragraph (1):
 - i. Storekeeper III in the Portland Parks and Recreation Bureau;
 - ii. Storekeeper I, Storekeeper II and Storekeeper III, in the Portland Bureau of Transportation;
 - iii. Automotive Equipment Operator II: Tractor-Trailer, in the Portland Bureau of Transportation; and
 - iv. Storekeeper II in the Portland Police Bureau.
8. If the City provides any cost of living allowance (COLA), merit increases, or furlough days to non-represented employees during the 2020-2021 fiscal year, all employees covered by this Agreement will receive a proportional reimbursement based on equivalent concessions.
9. If a public safety union fails to provide concessions that meet the current budget shortfall related to COLA and step freezes for that bargaining unit, the shortfall shall not be made up by cuts to the bargaining unit members making concessions under this Agreement.
10. The collective bargaining agreement with LiUNA – Portland City Laborers shall be extended through June 30, 2022. The parties agree to bargain the article "Schedule 'A' COLA" (which will be incorporated in Schedule B and C) and to work in good faith to reach agreement regarding replacement language before June 30, 2021. In the event the parties do not reach agreement, they will submit the dispute on the sole issue of Schedule A cost of living adjustment for the 2021-2022 fiscal year to binding interest arbitration, using the procedures set out in ORS 243.746 – ORS 243.762. Binding interest arbitration on this issue shall be nonprecedent setting and does not set a standard going forward for the City to engage in interest arbitration with strike-permitted bargaining units.
11. The collective bargaining agreement with LiUNA – Recreation shall be extended through June 30, 2022. The parties agree to bargain cost of living allowance (COLA) language for all classifications covered by the Recreation collective bargaining agreement and to work in good faith to reach agreement regarding replacement language before June 30, 2021. In the event the parties do not reach agreement, they will submit the dispute on the sole issue of Schedule A cost of living adjustment for the 2021-2022 fiscal year to binding interest arbitration, using the procedures set out in ORS 243.746 – ORS 243.762. Binding interest

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arbitration on this issue shall be nonprecedent setting and does not set a standard going forward for the City to engage in interest arbitration with strike-permitted bargaining units.

12. For the life of this agreement the Bureau of Environmental Services, Portland Bureau of Transportation, and Portland Parks and Recreation will not supplant existing bargaining unit employees through the use of inmate crews. For Portland Bureau of Transportation, the bureau will not use any inmate labor crews, including Multnomah County Sheriff's Office inmate crews, to perform bargaining unit work on a regular basis.
13. This Agreement is to address the economic impacts of the COVID 19 pandemic and does not set a precedent for the parties to this Agreement.
14. This Agreement shall take effect only on ratification by LiUNA and by Portland City Council.

So AGREED.

For Laborers' Local 483:

Farrell Richartz
Business Manager

Date

For the City:

Cathy Bless
Director of the Bureau of Human Resources

Date

Approved as to Form:

Heidi Brown
Chief Deputy City Attorney

Date