

# **LETTER OF AGREEMENT FOR COVID-19 IMPACTS – DCTU AND CITY OF PORTLAND**

## **LETTER OF AGREEMENT FOR COVID-19 IMPACTS**

The parties to this Agreement are the City of Portland (City) and the District Council of Trade Unions (DCTU).

### **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 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. DCTU and the City are parties to a Collective Bargaining Agreement (CBA) that is in effect until June 30, 2020.
5. 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 maintain the delivery of City services.
6. The measures taken in this agreement are intended to be short-term, however, the full financial impact resulting from the State of Emergency is yet to be determined.

### **AGREEMENT**

The parties hereby agree as follows:

1. The Union agrees to defer the 2.9% Cost of Living Adjustment (COLA) for fiscal year 2020-2021 until January 1, 2021.
2. The Parties agree that starting on the signing of this Agreement and no later than August 1, 2020, employees in the bargaining unit may, with the approval of their manager and Bureau Director or designee, may choose instead of taking furlough days to temporarily reduce their hours for FY 2020-21 to any number between 0.9 and 0.5 FTE, provided that such reduction in hours meets the operational needs of the bureau and does not create overtime costs.
  - a. Employees electing a reduced schedule agree to do so starting no later than August 1, 2020 and continuing through June 30, 2021 unless economic conditions improve and the City no longer requires the savings. Employees may end the temporary reduction in hours as of December 23, 2020, provided they give notice to their manager at least two (2) weeks before the temporary reduction in hours ends or by mutual agreement of the employee and manager with the approval of the Bureau Director.

## **LETTER OF AGREEMENT FOR COVID-19 IMPACTS – DCTU AND CITY OF PORTLAND**

- b. The City will continue full-time health care contributions for current full-time employees reducing to any amount between 0.9 and 0.5 FTE.
  - c. The City will provide a report to the Union of all employees who elect this option that includes the approved reduced schedule.
- 3. The City has applied to, and the DCTU has signed the necessary documentation for, the State of Oregon's Work Share program for acceptance on behalf of all employees covered by this Agreement.
- 4. If the City's application to the Work Share program on behalf of employees covered by this Agreement is accepted by the State, then the City may implement furloughs as follows:
  - a. Furloughs are defined as a temporary mandatory unpaid leave of absence.
  - b. Employees covered by this Agreement who are not eligible for the Work Share program will not be required to take furlough days, provided that such ineligibility is not due to a failure to meet the requirement for days worked during a workweek;
  - c. Employees covered by this agreement may be required to take a maximum of eight (8) furlough days, not to exceed sixty-four (64) hours, of unpaid leave by October 31, 2020;
  - d. The City understands the interest of employees to take furlough days by July 25, 2020 to potentially qualify for federal stimulus money;
  - e. The DCTU understands that the City's Work Share application is for a one-year term and will expire one year after the date of approval; therefore, furlough days or reduced schedules occurring after July 25, 2020 are still eligible for Work Share under the provisions required by the State of Oregon;
  - f. The DCTU understands the interest of the City in needing to meet its operational needs and avoid any overtime costs;
  - g. Based on the City's operational needs and provided that overtime costs are not incurred, employees will have flexibility in determining how they take the furlough days in order to best address their own financial needs. This includes allowing furloughs to be taken one day a week or up to all at once if the employee so chooses. Employees'-specific requests will not be unreasonably denied.
  - h. 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;
  - i. Furloughs shall not constitute an emergency with regards to Article 6.2 of the CBA.

## **LETTER OF AGREEMENT FOR COVID-19 IMPACTS – DCTU AND CITY OF PORTLAND**

- j. No employee will lose their healthcare coverage solely due to the taking of furlough days or temporary schedule reduction under paragraph 2 of this Agreement, provided that they remain an employee of the City and are not laid-off, retired, or are otherwise separated from City service.
  - k. Employees who sign a reduced schedule agreement as outlined in paragraph 2 of this Agreement are not required to take furlough days for the duration of the Agreement so long as such schedule reduction provides not less than 64 hours of unpaid leave.
  - l. Employees who provide written notice of retirement on or before the date when 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 section.
  - m. In effort to limit negative financial impact to employees and achieve immediate savings for the City, once a Tentative Agreement is ratified by members, furlough days can be taken prior to approval by City Council.
- 5. Following final signature on this Agreement, the parties shall create a coalition to work together to identify sources of funding from the federal government to offset the loss of revenue and prevent layoffs.
  - 6. The parties will meet and confer on a monthly basis to assess the financial situation and consider whether the existing economic situation as of January 2021 or thereafter allows for reasonable actions that can be taken to remediate the impacts of the steps taken in this Agreement. If economic conditions worsen, or are worse than currently anticipated by the City, then the Parties will meet and confer in good faith to assess the financial situation and consider whether additional actions can be taken by mutual agreement. Nothing in this paragraph is intended to change or add to the requirements under Article 39.2 of the DCTU collective bargaining agreement.
  - 7. 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.
  - 8. 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 the extent possible, to avoid the layoff of employees covered by this Agreement.
  - 9. This Agreement is to address the economic impacts of the State of Emergency related to the Coronavirus pandemic and does not set a precedent for the parties to this Agreement.
  - 10. The collective bargaining agreement with DCTU shall be extended to December 31, 2020 with existing terms of the CBA modified by the terms of this Agreement.

## **LETTER OF AGREEMENT FOR COVID-19 IMPACTS – DCTU AND CITY OF PORTLAND**

The DCTU understands that the City will not have sufficient economic information to engage in bargaining over any economic terms and conditions until after January 31, 2021, and that the DCTU shall not claim that the City is engaging in an unfair labor practice as a result of not engaging in bargaining over economic terms and conditions prior to January 31, 2021. The City expects to have broad financial information available by January 31 and to consider proposals on economic terms and conditions by February 28, 2021.

11. All terms in the existing collective bargaining agreement of the parties that are not in conflict with this Agreement shall remain in effect.
12. The City recognizes the value of the Union in the workplace and supports an employee's right to organize. In addition, the City acknowledges that unduly opposing the efforts of employees to join a labor union represents a cost to the City that should be avoided when possible. As such, the City shall in good faith consider voluntary recognition into the bargaining unit any classification that is not supervisory or confidential in nature as defined under the Public Employees Collective Bargaining Act and that is not currently represented by another bargaining unit or for which an interest in recognition has not been expressed by another bargaining unit, for whom the union has provided the City with a majority showing of interest within the appropriate classification, and that the group of employees has a sufficient community of interest to the bargaining unit. The parties shall agree on the process for making this showing.

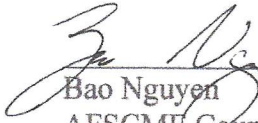
The DCTU member Union shall have the right to spend up to thirty (30) minutes with each employee who is voluntarily recognized into the bargaining unit under this paragraph. The time spent with each employee shall not exceed thirty minutes. The meeting times shall be arranged between the Union and the City and shall be at a mutually acceptable time. The meetings with employees shall be during employees' break times, which are twenty (20) minutes. In addition to paying for the employees' break times as already required by law, the City shall also pay for the additional ten (10) minutes so that the total meeting time of thirty (30) minutes shall be paid by the City. Because the time is during an employee's break, employees may opt whether or not to attend the meeting.

13. If the City reimburses any COLA, merit increases, or furlough days to non-represented employees during the duration of this agreement, all employees covered by this Agreement will receive a proportional reimbursement based on equivalent concessions.
14. AFSCME Local 189 and IBEW 48 assert that they have signatory authority on behalf of all unions covered by the DCTU collective bargaining agreement.
15. This Agreement is to address the economic impacts of the State of Emergency related to the Coronavirus pandemic and does not set a precedent for the parties to this Agreement.
16. Except as specifically provided otherwise herein, this Agreement shall take effect only on ratification by all unions within the DCTU and by City Council.


LETTER OF AGREEMENT FOR COVID-19 IMPACTS – DCTU AND CITY OF  
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So AGREED.

For the District Council of Trade Unions:

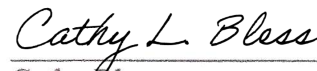
  
Bao Nguyen  
AFSCME Council Representative

5/28/2020  
Date

  
Mark Hinkle for Jennifer Bazner  
IBEW Local 48 Business Representative

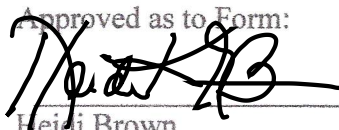
5/28/2020  
Date

For the City:

  
Cathy Bless  
Director of the Bureau of Human Resources

5/28/2020  
Date

Approved as to Form:

  
Heidi Brown  
Chief Deputy City Attorney

5/28/2020  
Date