

Date: September 25, 2024

To: Board of Directors

From: Sam Desue, Jr.

Subject: RESOLUTION NO. 24-09-49 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING THE BOARD PRESIDENT, THE GENERAL MANAGER AND THE CHIEF NEGOTIATOR TO ENTER INTO A NEW WORKING AND WAGE AGREEMENT WITH DIVISION 757, AMALGAMATED TRANSIT UNION

1. Purpose of Item

This Resolution requests that the TriMet Board of Directors (Board) authorize the Board President, the General Manager, and the Chief Negotiator to execute the TriMet and Division 757, Amalgamated Transit Union (ATU) Working and Wage Agreement, effective December 1, 2024 through November 30, 2028, and all Supplemental Agreements, Side Letters and other documents necessary to enter into a new collective bargaining agreement with the ATU.

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other: Working and Wage Agreement

3. Reason for Board Action

Board approval is required for TriMet to enter into a new Working and Wage Agreement (WWA) with the ATU.

4. Type of Action

- Resolution
- Ordinance 1st Reading
- Ordinance 2nd Reading
- Other _____

5. Background

The current collective bargaining agreement between TriMet and the ATU will expire on November 30, 2024, and the parties continue to operate in accordance with its terms. On December 18, 2023 the parties formally opened negotiations for a new WWA, and after approximately six months of discussions and negotiations, the parties announced a Tentative Agreement on June 25, 2024. The ATU recommended the Tentative Agreement to its membership, which the union members ratified on August 14, 2024.

Accompanying this Resolution is a redline copy of the new WWA, showing all changes, effective December 1, 2024 through November 30, 2028, as ratified by the ATU.

Based on that ratification, this Resolution seeks Board approval and authorization for Board President Dr. LaVerne Lewis, General Manager Sam Desue, Jr., and TriMet's Chief Negotiator, Nate Holton, to execute the new WWA. If Board approval is granted, the general wage increases will be effective on and after December 1, 2024 and extend through November 30, 2028. The remainder of the agreement will be applied on December 1, 2024, or as specified in certain articles.

TriMet staff believe that the new agreement was bargained with a collaborative approach that focused on improving working conditions for our union staff while bolstering TriMet's ability to provide service that enhances regional economic vitality. The four-year agreement stretches beyond the more typical three year contract cycle, providing TriMet with lengthened stability as it continues its focus on increasing ridership.

Under the agreement, employees will receive a 13.64% wage increase spread over four years, starting with a 4% increase in December 2024, followed by successive 3% increases in 2025, 2026, and 2027.

The WWA features the creation of an "AM/PM Board" for Extra Board Operators, which addresses the longstanding issue of Extra Board Operators having little predictability in knowing the start and end times of their daily schedules. This change, which requires software upgrades previously approved by the Board to implement, is expected to have a meaningful impact on TriMet's ability to better recruit and retain Operators.

Additionally, the WWA overhauls TriMet's union attendance program, which has not had a major update in over 30 years. Under the new program, TriMet has a greater ability to hold employees accountable when they miss significant amounts of work time that is unprotected by FMLA or Paid Leave Oregon. The agreement also provides employees with two additional "floating holidays" (personal days) and adds one week of vacation for employees who have at least 15 years of seniority.

The WWA includes several features designed specifically to increase employee retention. Transportation employees will now begin receiving longevity pay after eight years of service rather than the previous 15 years of service. After three years of service, union employees will be eligible for an annual tuition reimbursement program of up to \$5,250. After six months of service, union employees will be eligible for a \$150 per month childcare subsidy. After execution of the WWA, union employees will see a 1% increase in TriMet's contribution to their 401(a) plan, and a second 1% increase after December 2027. The second 1% increase will bring TriMet's 401(a) contribution up to 10% for union employees.

6. Financial/Budget Impact

Attachment 1 provides a redline version of the Tentative Agreement. The initial 1% increase in TriMet's contribution to union employees' 401(a) plan will be effective in the next pay period following adoption of this resolution. The remaining financial items, including the general wage increases, will be effective on or after December 1, 2024. The financial impact was estimated and accounted for in the FY2025 budget within individual divisions impacted, as well as in contingency. TriMet Finance may come forward after the first of the year with a budget transfer resolution. Future year wage increases and other commitments will be scheduled into the financial forecast and budgeted when effective.

7. Impact if Not Approved

TriMet's union employees are working under a WWA that expires on November 30, 2024. A new contract is necessary to update unionized employee wages and benefits and permit comprehensive changes and agreements desired by both management and labor. Now that the ATU has ratified the Tentative Agreement, adopting this Resolution will allow the Board to implement a new WWA designed to bolster employee recruiting and retention while providing four years of workplace stability at a reasonable cost.

If the Board does not approve the new WWA, the parties will revert to the positions they held before achieving the Tentative Agreement, i.e., needing to resolve their contract disputes through binding interest labor arbitration. The winner-take-all aspect of arbitration creates uncertainty and risk for both parties and is not conducive to positive labor/management relations. The negotiators for TriMet and the ATU believe that the new WWA represents a fair resolution of current workplace issues, and that the certainty and value of the new agreement is far preferable to the uncertainty of leaving the resolution of contract disputes in the hands of an arbitrator.

TriMet's General Manager strongly recommends that the Board adopt this Resolution authorizing the execution of the new WWA.

RESOLUTION NO. 24-09-49

RESOLUTION NO. 24-09-49 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING THE BOARD PRESIDENT, THE GENERAL MANAGER AND THE CHIEF NEGOTIATOR TO ENTER INTO A NEW WORKING AND WAGE AGREEMENT WITH DIVISION 757, AMALGAMATED TRANSIT UNION

WHEREAS, TriMet has authority under ORS 267.200 to enter into a collective bargaining agreement with its unionized workforce; and

WHEREAS, TriMet and its unionized workforce, represented by Division 757 of the Amalgamated Transit Union (ATU), have reached agreement on a new collective bargaining agreement, the Working and Wage Agreement (WWA); and

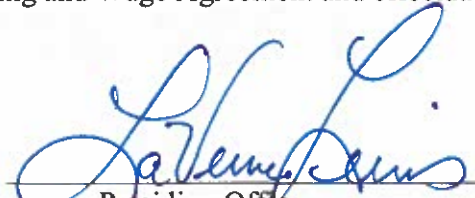
WHEREAS, the ATU membership ratified the new WWA on August 14, 2024;

NOW, THEREFORE, BE IT RESOLVED:

That the TriMet Board of Directors hereby ratifies and authorizes TriMet's Board President, the General Manager, and the Chief Negotiator to execute the following documents:

1. TriMet and Division 757, Amalgamated Transit Union Working and Wage Agreement, effective December 1, 2024 through November 30, 2028, and
2. Any and all Supplemental Agreements, Side Letters, and other documents necessary to execute and enter into the new Working and Wage Agreement and effectuate the purposes of this Resolution.

Dated: September 25, 2024


Presiding Officer

Attest:


Recording Secretary

Approved as to Legal Sufficiency:


Legal Department