



FINAL AGENDA

BEAVERTON CITY HALL – THIRD FLOOR  
MAYOR'S CONFERENCE ROOM  
4755 SW GRIFFITH DRIVE  
BEAVERTON, OR 97005

CITY COUNCIL SPECIAL MEETING  
JULY 30, 2007  
4:00 P.M.

CALL TO ORDER:

ROLL CALL:

CONSENT AGENDA:

07161 Ratify Tentative Contract Agreement with SEIU Local 503

EXECUTIVE SESSION:

In accordance with ORS 192.660 (2) (h) to discuss the legal rights and duties of the governing body with regard to litigation or litigation likely to be filed and in accordance with ORS 192.660 (2) (e) to deliberate with persons designated by the governing body to negotiate real property transactions and in accordance with ORS 192.660 (2) (d) to conduct deliberations with the persons designated by the governing body to carry on labor negotiations. Pursuant to ORS 192.660 (3), it is Council's wish that the items discussed not be disclosed by media representatives or others.

ADJOURNMENT:

This information is available in large print or audio tape upon request. In addition, assistive listening devices, sign language interpreters, or qualified bilingual interpreters will be made available at any public meeting or program with 72 hours advance notice. To request these services, please call 503-526-2222/voice TDD.

## AGENDA BILL

**Beaverton City Council  
Beaverton, Oregon**

**SUBJECT:** Ratify Tentative Contract Agreement with  
SEIU Local 503

**FOR AGENDA OF:** 07-30-07 **BILL NO:** 07161

**Mayor's Approval:** 

**DEPARTMENT OF ORIGIN:** HR 

**DATE SUBMITTED:** 07-25-07

**PROCEEDING:** Consent Agenda

**CLEARANCES:**

**EXHIBITS:** Tentative Agreement Summary  
Cost Summary of Economic  
Proposals

### **BUDGET IMPACT**

EXPENDITURE REQUIRED	AMOUNT BUDGETED	APPROPRIATION REQUIRED
\$370,016 for fiscal increases;	\$370,016	\$-0-
\$197,340 for increased insurance;	\$197,340	\$-0-
\$15,331 for other economic factors	\$-0-	\$15,331*

\*The Appropriation Required of \$15,331 for other economic factors can be absorbed within FY 2007-08's existing budgetary appropriations.

#### **HISTORICAL PERSPECTIVE:**

The City and Service Employees International Union, Local 503 (SEIU) representatives have been negotiating a successor contract to the 2003-2007 collective bargaining agreement, which expired June 30, 2007. Negotiations began on December 15, 2006, and the parties reached tentative agreement on July 18, 2007. SEIU membership ratified that tentative agreement on July 25, 2007. It is now being brought to the Council for approval.

#### **INFORMATION FOR CONSIDERATION:**

The major terms of the tentative agreement are outlined on the attachment. Staff believes it is within the authority granted by Council for this bargaining unit. The tentative agreement includes a wage increase of 3.0% effective July 1, 2007, and a minimum of 2% and a maximum of 4% for the second year of this two-year contract. The agreement also includes continuation of the fully paid insurance plan for employee only for P200, POS, and Kaiser, and continuation of fully paid insurance for dependents for Kaiser. Employee premium contributions will rise 05% for POS and 2% for P200 for 2007-2008. There will be a freeze on the employee-only premium for Kaiser for only those part-time employees impacted by the pro-rata policy that went into effect July 2003. Other major changes include increasing life insurance from \$11,000 to \$50,000 and AD&D from \$11,000 to \$81,000, increasing the annual dental cap from \$1,500 to \$2,000 and increasing the lifetime orthodontia cap from \$500 to \$1,500 for eligible dependents. Other economic and non-economic changes are included in the attachment.

The cost of the health insurance increases (\$197,340) was included in the FY 2007-2008 budget approved by the Budget Committee and adopted by the Council. The cost for the compensation changes was included in Agenda Bill 07080 (April 23, 2007). The costs of the shift differential (\$973), the increased clothing allowance (\$9,968), and the bi-lingual pay (\$4,390) were not specifically included in the adopted FY 2007-2008 Budget; however, these costs can be absorbed within the existing budgetary appropriations.

#### **RECOMMENDED ACTION:**

Council approve the terms of the tentative agreement

**Agenda Bill No:** 07161

## Tentative Agreement Summary

### Economic

- Wages:** 3% increase for all classifications effective July 1, 2007. Minimum 2%, maximum 4% increase for all classifications effective July 1, 2008 based on West Coast – W Annual Average CPI year ending 12/31/07
- Health Insurance:** Plan design changes which increase employee co-pays and maximum out-of-pocket for all three plans (Kaiser, P200 and POS).  
Employee premium contributions for employee only coverage and all levels of Kaiser remain at zero.  
P200 employee premium contribution for dependent coverage set at 2% for FY 2007-08 and 3% for FY 2008-09 with a maximum cap of \$35 and \$55 for employee only and full family respectively.  
POS employee premium contribution for dependent coverage set at 5% for FY 2007-08 and 6% for FY 2008-09 with a maximum cap of \$70 and \$100 for employee only and full family respectively.  
Prorated employee contribution for Kaiser employee only coverage will be capped based on FY 2006-07 premiums.
- Other Insurance:** Life insurance increases from \$11,000 to \$50,000.  
Accidental Death and Dismemberment increases from \$11,000 to \$81,000.  
Annual dental cap increases from \$1,500 to \$2,000.  
Lifetime orthodontia cap increases from \$500 to \$1,500 for eligible dependents.
- PTO/Medical Leave:** Waive the 24-hour requirement to access medical leave under certain circumstances when employee is on approved FMLA.  
City to supplement required worker's compensation time loss payments for the first 90 days.  
Increase conversion of medical leave to PTO (after reaching 514 hours of medical leave) from one half to one hour per pay period.
- Other Compensation:** Add bilingual pay of 2.5% for employees assigned by City to translate (same language as BPA).  
  
Provide .75 differential when employees are required to change schedule to night shift without 14-day notice.

### Term of Agreement

The contract is for two years.

## **Non-economic**

- ◆ Retain current practice for using temporary employees and eliminate City's obligation to provide regular status reports to union.
- ◆ Expand list of relatives covered by agreement allowing employee to use medical leave and bereavement. Add domestic partners.
- ◆ Update special allowance language to be simpler and easier to administer.
- ◆ Change language regarding union's use of City e-mail system to be consistent with BPA language.
- ◆ Agreed to provide 14-days notice of involuntary schedule change except in the event of emergency.

City of Beaverton  
 Cost Summary of City's Economic Proposals  
 SEIU Negotiations 2007

Item Number	Article Number	Description	Final Offer 6/18/2007
1	21.1	COLA + roll-ups	\$ 370,016
2	21	Cost of salary adjustments to specific classifications (+ roll-ups)	38,876
3	15.1	Increase life insurance to \$50K	18,100
4	15.1	Increase AD&D to \$81K	9,050
5	15.3	Increase orthodontic cap to \$1,500	7,075
6	15.3	Increase dental cap to \$2,000	13,910
7	15.3	Increase contribution to SEIU medical premiums	149,205
		Subtotal Insurance	197,340
8	22.1	\$0 75 differential for night schedules (1000 hours)	973
9	22.3	Increased clothing allowance	9,968
10	22.8	2.5% bi-lingual pay	4,390
		Subtotal Other Economic Factors	15,331
11	17.6	Cost of increase of medical leave conversion to PTO	9,525
12	17	Increased access to medical leave	14,095
13	14.6	90 day time loss pick-up	43,485
14	15.3	Cap on Kaiser EO premium for Reg PTE	304
		Total	<u>\$ 688,972</u>
		Cost of City proposals per SEIU employee	203 <u>\$3,394</u>