METROPOLITAN EXPOSITION-RECREATION COMMISSION

RESOLUTION NO. 00-26

For the Purpose of Ratifying a Collective Bargaining Agreement with Local 28, Theatrical Stage Employees of the International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts of the United States, Its Territories and Canada (IATSE).

Whereas, the Commission's designated representatives for labor relations have negotiated in good faith with IATSE Local 28; and

Whereas, the Commission's designated representatives for labor relations and the Union's designated bargaining representatives have reached a signed tentative agreement for a three year collective bargaining agreement; and

Whereas, the tentative agreement is subject to ratification by a vote of the Union membership on behalf of the Union, and by a vote of the Commission on behalf of MERC; and

Whereas, the Union membership has duly ratified the tentative agreement; and,

Whereas, MERC believes that the tentative agreement is fair, reasonable, and in the public interest,

THEREFORE BE IT RESOLVED:

- 1. The Commission hereby ratifies the tentative agreement attached to this resolution as Exhibit A.
- 2. The Commission's designated representative for labor relations are authorized and directed to sign the collective bargaining agreement reflecting the terms of the tentative agreement on the Commission's behalf, and forward that signed agreement to the Union for formal signing.

Passed by the Commission on August 16, 2000

Chairman

Secretary-Treasurer

Approved As To Form: Daniel B. Cooper, General Counsel

By:

Kathleen A. Pool Senior Assistant Counsel



MERC STAFF REPORT

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<u>Agenda Item/Issue: CONSIDERATION</u> OF RESOLUTION TO RATIFY THE LOCAL 28, THEATRICAL STAGE EMPLOYEES OF THE INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES, MOVING PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS OF THE UNITED STATES, ITS TERRITORIES AND CANADA (IATSE) TENTATIVE AGREEMENT

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Resolution No: 00-26

Date: August 16, 2000

BACKGROUND: IATSE represents Stagehands employed by the Portland Center for the Performing Arts (PCPA). The Agreement expired June 30, 2000. Negotiations for the successor agreement began April 24, 2000 and were concluded July 20, 2000. The wage provisions of the tentative agreement will be retroactive to July 21, 2000, pending approval of the Commission.

The major elements of the tentative agreement are as follows:

Term of Agreement: July 1, 2000 to June 30, 2003 (3-year agreement)

<u>Wages:</u> Effective July 21, the wage rates will be increased by a 3.7% cost-of-living and a market adjustment of 1.3%. January 1, 2001 the wage rates will receive a market adjustment of 3%. July 1, 2001 wage rates will be increased by the CPI-W with a minimum of 2% and a maximum of 5%. July 1, 2002 wage rates will receive a market adjustment of 1% and a cost-of-living not to exceed 5%.

Insurance: Traditionally, the Employer has paid 8% of gross wages earned by each stagehand to the IATSE Health and Welfare Trustee plan. This is approximately \$400.00 per month per stagehand. As of September 1, 2000 the Employer will provide health and welfare. The 8% of gross wages will be paid to Metro rather than the IATSE trust. September 1, 2000 there will be an additional cost of \$85.00 per month per stagehand. July 1, 2001 there will be an additional cost of \$24.00 per month per stagehand. July 1, 2002 there will be an additional cost of \$26.00 per month per stagehand.

IATSE, Local 28, will join the Health and Welfare Committee established to explore how health care costs can be contained and how future increases in costs might be shared between the Employee and the Employer. All Metro and MERC collective bargaining agreements except IATSE B-20 (part-time employees not eligible for health benefits) are now represented on this committee.

<u>Recording Rates:</u> The tentative agreement recognizes changes in the Video and Audio Recording industry. The industry has become much more sophisticated and requires artistry as well as technical expertise. Consequently, the recording rate will be paid to crewmembers from the beginning to the end of recorded events. New language defined "special events" as events that are designed to be recorded or for which the recording is a primary purpose, or which is produced with high production values that are the equivalent of a broadcast event.

Recording rates of the majority of events will be applicable to the Sound Department Head only. On other occasions the recording rate will include the whole crew for the exact amount of time the event is recorded.

Language changes: The Union and Employer made several "housekeeping" changes in language existing in Articles (3, 4 and 10). Worthy of note are changes in Articles 4 and 10. In Article 4 the Employer has agreed to process employee contributions to the 401k plan. Article 10 was completely redrafted to recognize significant changes in the recording industry, as discussed above.

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Fiscal Impact: The amount budgeted for salary increases for FY2000-2001 was 3% (\$29,332.24). The first year settlement of this agreement is 3.7% plus 1.3% market adjustment (July 21, 2000 through December 31, 2000 - \$28,637.55) and a 3% market adjustment January 1, 2001 through June 30, 2001 (\$18,137.12). Fringe benefits for purposes of salary increases are 24%. The total cost is \$58,000.59.

The partial Health Insurance pick-up for FY2000-2001 is \$8, 500.

Explanation: A classification and compensation study demonstrated that the stagehands had fallen significantly behind the market. This situation was the result of several years of budget woes for the PCPA and PCPA tenants. The Employer and the Union reached agreement by implementing market adjustments in stages over the three years of the contract.

95% - 98% of stagehand salary costs are billed back to vendors. The Employer's team was very cognizant of the financial status of our tenants.

Additionally, the Consumer Price Index (CPI) has been between 1.3% and 2.9% since 1994. The CPI, at 3.7%, was significantly higher this year. The CPI is capped in years 2 and 3 and will be able to be budgeted for.

<u>Recommendation:</u> It is recommended that the Commission approve the tentative agreement and authorize the General Manager to sign the Agreement.