

RESOLUTION NO. 2012-37

APPROVING A NEW THREE-YEAR COLLECTIVE BARGAINING AGREEMENT COVERING CONDITIONS OF EMPLOYMENT WITH LOCAL 268 OF THE AMALGAMATED TRANSIT UNION

WHEREAS, the previous Collective Bargaining Agreement with Local 268 of the Amalgamated Transit Union established by the Authority on August 1, 2006, remained in effect until July 31, 2011; and

WHEREAS, collective bargaining between representatives of Local 268 of the Amalgamated Transit Union and representatives of the Authority have produced a new Collective Bargaining Agreement covering the period from August 1, 2011 through July 31, 2014; and

WHEREAS, the members of Local 268 of the Amalgamated Transit Union have approved the new successor Collective Bargaining Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the Collective Bargaining Agreement for employees represented by Local 268 of the Amalgamated Transit Union be and it is hereby amended by incorporating the changes, modifications, additions and deletions as negotiated by the representatives of Local 268 and the Authority, to become effective retroactive to August 1, 2011 and continue through July 31, 2014.

Section 2. That said contract will be funded through the General Fund. The 2012 expenditures will be funded through an amendment to the 2012 General Fund Appropriation.

Section 3. That the Collective Bargaining Agreement, as amended, be and hereby is approved.

Section 4. That this resolution shall become effective immediately upon its adoption.

Adopted: April 17, 2012



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: APPROVING A NEW THREE-YEAR COLLECTIVE BARGAINING AGREEMENT WITH ATU, LOCAL 268	Resolution No.: 2012-37
	Date: April 12, 2012
	Initiator: Human Resources
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

1.0 PURPOSE/SCOPE: This action will approve a new three-year labor agreement with Local 268 of the Amalgamated Transit Union (ATU, Local 268). The Term of the new agreement will be from August 1, 2011 through July 31, 2014. The new agreement describes the Conditions of Employment for GCRTA employees covered by ATU, Local 268 bargaining unit, which generally includes bus and train operators; station attendants; mechanics and other maintenance employees; first-line supervisors; various clerical and administrative personnel; and various other miscellaneous positions. Employees covered by this new agreement number approximately 75% of the Authority's 2,282 currently active positions.

2.0 DESCRIPTION/JUSTIFICATION: The previous Collective Bargaining Agreement with ATU, Local 268 expired at midnight on July 31, 2009 and continued in effect until this new agreement was negotiated. Negotiations for a new agreement commenced on June 25, 2009. Numerous joint bargaining sessions occurred during 2009-2012 between representatives of ATU, Local 268 and the Authority. These negotiations culminated in a tentative agreement being reached between the parties on March 9, 2012, for a new three-year Collective Bargaining Agreement. The agreement was approved by union membership on April 3, 2012.

Exhibit A is a summary of the major changes to the Collective Bargaining Agreement as a result of these negotiations. These changes in the economic and work rule provisions, along with various minor language changes, will be incorporated into the Conditions of Employment for ATU, Local 268 represented employees if approved by the Board of Trustees.

3.0 PROCUREMENT BACKGROUND: Does not apply.

4.0 DBE/AFFIRMATIVE ACTION BACKGROUND: Does not apply.

5.0 POLICY IMPACT: The subject action has important policy implications; principally in the area of cost control and service quality.

The new agreement includes work rule changes that will help to improve productivity and reduce employer's share of Health Care Benefits.

- 6.0 **ECONOMIC IMPACT:** The estimated costs and savings associated with the major economic provisions of the new agreement are summarized in Exhibit B. The estimated cost for 2012 will be funded by an amendment to the 2012 General Fund Appropriation.
- 7.0 **ALTERNATIVES:** Not approve the new three-year agreement as proposed and direct the staff to return to the bargaining table with ATU, Local 268 to seek further changes or revisions.
- 8.0 **RECOMMENDATIONS:** It is recommended that the Board of Trustees approve the proposed new three-year labor agreement with ATU, Local 268 as presented herein.
- 9.0 **ATTACHMENTS:**
- A. Tentative Agreement GCRTA and ATU, Local 268 covering the Conditions of Employment August 1, 2011 through July 31, 2014 – Summary of Major Changes.
 - B. Estimated costs and savings associated with new Agreement.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



CEO, General Manager/Secretary-Treasurer

Exhibit A

Board of Trustees

Tentative Agreement w/ATU

Summary of major changes:

PART I

- 1) Article 9. Grievances. The grievance process will be reduced from four steps to three steps prior to arbitration.
- 2) Article 10. Arbitrations. The GCRTA and the ATU agree to establish a panel of seven (7) arbitrators to be rotated for arbitration cases for the duration of the contract.
- 3) Article 17. Benefits – Effective January 1, 2013
 - a) Office visit co-pay \$10 (waived for annual physical)
 - b) Urgent Care co-pay \$25
 - c) Emergency Room co-pay \$100 (waived if admitted)
 - d) Premium contribution 86/14
 - e) Coverage tiers Employee, employee +one, employee +two, family

Employees may reduce their monthly premium contribution up to 2% each year by:

- a) Completing and testing negative for a nicotine test provided by the RTA (1%).
- b) Completing an annual physical for self and all eligible dependents and completing a Health Risk Assessment (HRA) for self and spouse (1%).

Prescription drugs will be based on a three-tier plan (generic, preferred formulary, and non preferred formulary). Generic benefits will be \$5 for a 30-day supply, \$10 for preferred formulary, \$20 for non-preferred formulary. Mail order maintenance prescription co-pays will be the cost of a 60-day supply for a 90-day supply.

- 4) Article 36. Duration – August 1, 2011 to July 31, 2014.

PART II

- 5) General work rule changes, no significant economic impacts.

PART III

- 6) Article 11. Grade 358 facility maintenance employees after two years of service would be permitted to take an assessment for a promotion to a Grade 458 facility maintenance position.

1. Wages

Wages – For the period from August 1, 2009 to the ratification of this agreement, wages are frozen with a 0% increase.

All full-time and part-time employees with 6 months of service as of December 31, 2011 would receive a one-time payment of \$1,000 for full-time employees and \$500 for part-time employees.

Effective January 1, 2012 employees would receive an increase of 3%.

February 2013 – Effective the first full pay period of February, employees may receive from 0 – 3% wage increase depending on sales tax and passenger fare revenue received by the Authority. Employees would be eligible to receive the percentage increase, to the nearest tenth of a percent, for increases in 2012 sales tax and passenger fare revenue received as compared to 2011 sales tax and passenger fare revenue; not to exceed a 3% wage increase.

If the Authority were to provide a fare rollback or increase to the public in 2012, the Authority would meet with the Union to discuss a change in the formula for calculating the passenger fare revenue as compared to 2011.

February 2014 - Effective the first full pay period of February, employees may receive from 0 – 3% wage increase depending on sales tax and passenger fare revenue received by the Authority. Employees would be eligible to receive the percentage increase, to the nearest tenth of a percent, for increases in 2013 sales tax and passenger fare revenue received as compared to 2012 sales tax and passenger fare revenue; not to exceed a 3% wage increase.

If the Authority were to provide a fare rollback or increase to the public in 2013, the Authority would meet with the Union to discuss a change in the formula for calculating the passenger fare revenue as compared to 2012.

Exhibit B

	Estimated Year 1	Estimated Year 2	Estimated Year 3	Estimated Total Contract	Wage Increase	Top Operator
Base Personnel Costs						
Wages	\$2,811,251			\$2,811,251	Year 1	
Signing Incentive	\$1,605,500	n/a	n/a	\$1,605,500	3%	\$24,740
Subtotal -Base Personnel Cost				\$4,416,751	Year 2	
					0%-3%	
Contract Changes					Year 3	
Cost					0%-3%	
Grade 358 to Grade 458		\$30,000	\$30,000	\$60,000		
Benefits- Savings						
Medical- Increase Employee Contribution 2% in year 2		(\$400,000)	(\$400,000)	(\$800,000)		