## MEMORANDUM OF AGREEMENT

## I. Parties

The Parties to this Memorandum of Agreement (MOA) are the Port of Portland, Oregon (hereinafter "Port"), and the International Brotherhood of Electrical Workers (IBEW) Local 48 (hereinafter "Union").

## II. Background

Whereas, the Port and Union are currently parties to two (2) collective bargaining agreements with each other, one commonly referred to as PDX Maintenance and the other Marine Maintenance (the CBAs or, individually, a CBA), and have been parties to collective bargaining agreements with each other for over 40 years; and

Whereas, the Port and Union once had apprenticeship and trainee agreements established several decades ago;

Whereas, the Port currently employs more than 50 Union electricians between its Aviation Maintenance and Marine Maintenance operations; and

Whereas, during the past fiscal year, the Port and Union entered into an Agreement and Memorandum of Understanding that addressed the work assignment dispute at the Port's Terminal 6; and

Whereas, as part of that agreement, the Port committed to work with the Union to "establish an electrician apprenticeship program or opportunities at the Port"; and

Whereas, both the Port and the Union are interested in ensuring the continued development of qualified apprentices in this critically important field here in the Portland Metro Area; and

Whereas, representatives of the Port and the Union have conducted research, visited facilities, and met on numerous occasions throughout the last year to explore the best options for the parties to achieve their mutual goals and interests; and

Whereas, the Port and the Union both wish to establish a pilot program as described herein;

Now, therefore, in exchange for the mutual promises and other consideration described below, the parties agree to the following:

## III. Terms

1. The Port will become a Training Agent (as defined by ORS 660.010(11)) by registering with the local NECA-IBEW Electrical Joint Apprenticeship Training Committee (JATC) and the Apprenticeship and Training Division of the Oregon Bureau of Labor & Industries (BOLI).

- 2. As a Training Agent, the Port will utilize the existing Inside Electrician apprenticeship program administered under the auspices of the local NECA-IBEW Electrical JATC.
- 3. Apprentices will be employed by the Port for a temporary period of no longer than six (6) consecutive months unless the parties to this Agreement approve otherwise.
- 4. There will be no probationary period for apprentices under this program while they are employed by the Port as this is a defined period of temporary employment. The Port will be responsible for completing any evaluation documentation required by either the NECA-IBEW Electrical JATC or BOLI during the apprenticeship. No guarantees of permanent employment are implied by the absence of a probationary period.
- 5. When the Port requests an apprentice, the NECA-IBEW Electrical Training Center (NIETC) will supply the next available apprentice. The Port retains the right to refuse an apprentice.
- 6. Within thirty-one (31) days of employment with the Port, an apprentice must either (1) become a member of the Union and remain in good standing, or (2) tender to the Union a fair share equivalent of regular union dues, initiation fees, and assessments, if any.
- 7. The Port retains the right to discipline apprentices regarding job-related conduct and will notify the local NECA-IBEW Electrical JATC whenever an apprentice is facing potential disciplinary action. The Port retains the right to request a replacement for an apprentice whose performance is shown to be unsatisfactory as reflected in the JATC Apprentice Evaluation Reports.
- 8. An apprentice's wages and fringe benefits shall be based on the effective rates of the Commercial/Industrial Agreement (aka Inside Journeyman Agreement) between NECA and IBEW Union Local 48. The wage rate paid to an apprentice will be based on their progress in the apprenticeship program as reported to the Port by the local NECA-IBEW Electrical JATC at the time of hire by the Port as follows:
  - a. 1<sup>st</sup> period—40% of Inside Journeyman rate
  - b. 2<sup>nd</sup> period—45% of Inside Journeyman rate
  - c. 3<sup>rd</sup> period—50% of Inside Journeyman rate
  - d. 4<sup>th</sup> period—60% of Inside Journeyman rate
  - e. 5<sup>th</sup> period—70% of Inside Journeyman rate
  - f. 6<sup>th</sup> period—85% of Inside Journeyman rate
- 9. The payments the Port agrees to make pursuant to paragraphs 9 and 10 herein may be made by one check or transfer. All monthly fringe benefit contributions from the Port will be made to the NECA IBEW Trust for distribution. The Port will contribute fringe benefits to all Trust Funds covered under the Commercial/Industrial Agreement (aka Inside Journeyman Agreement) based on the effective wage rates. The current Trust Funds are Harrison Trust, Edison Pension Trust, 9<sup>th</sup> District Annuity Trust, NEBF, and

Cornell 401K. The Port will pay the aggregate Trust Funds amounts to NECA, and NECA shall be responsible to contribute the amounts to the respective Trust Funds.

10. The Port further agrees to make monthly contributions to the NIETC Training Trust through NECA based on compensable hours paid to all Port journeyman electricians and apprentices. However, no contributions will be made by the Port to the NIETC Training Trust for any workers' compensation or disability payments. Contributions will be made as long as this apprentice pilot program is in effect. Contributions will be as follows:

Journeyman Electrician:

\$ 0.20 per hour

Apprentice Electrician:

\$ 1.00 per hour

These rates will not be changed without the mutual agreement of the Port and the Union.

- 11. The apprentice shall receive 40 hours of paid sick leave during their employment as an apprentice with the Port. This benefit shall be frontloaded into an apprentice's bank at the point of hire by the Port. Permitted use of the sick leave benefit shall be in accordance with Port policies. Apprentices shall be entitled to no other paid sick leave benefit during their employment with the Port.
- 12. Apprentices are not entitled to receive paid vacation leave as contemplated under either of the CBAs.
- 13. All apprentices hired by the Port shall work under the direct supervision of a Port Journeyman Electrician at no greater than a one-to-one ratio.
- 14. No regular Port Electrician will be displaced or replaced by an apprentice under this apprenticeship program. The seniority and retirement provisions of the CBAs will not apply to apprentices under this apprenticeship program.
- 15. There shall be no more than three (3) apprentices employed by the Port in Aviation and no more than one (1) apprentice employed by Marine at any given time.
- 16. All terms and conditions of the applicable CBA under which an apprentice is employed shall apply except as otherwise modified by this Agreement.
- 17. This Memorandum of Agreement is effective from April 1, 2015 through March 31, 2018. However, it may be modified or cancelled by the mutual agreement of the Port and the Union at any time.
- 18. Furthermore, this MOA may be ended sooner by either the Port or the Union with ninety (90) days written notice to the other party.
- 19. The Port and the Union agree to meet to review this pilot program no later than March 31, 2016.

20. The Port and the Union agree that this MOA does not establish a precedent, custom, or practice between the parties, nor shall it be used by either party in any other forum.

Dated this <u>20</u> day of March, 2015

For the Port:

Bill Wyatt

**Executive Director** 

Blaise Lamphier

Labor Relations Manager

APPROVED AS TO LEGAL SUFFICIENCY

FOR THE PORT OF PORTLAND

For the Union:

Gary Young

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Bob Carroll

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Mike Bridges

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