

**Washington Metropolitan Area Transportation Authority
Board Action/Information Summary**

Action
 Information

MEAD Number:

Resolution:
 Yes No

PURPOSE

To request Board approval of the negotiated Memorandum of Understanding with Local 2, OPEIU, covering wages, hours and working conditions for the bargaining units comprised of WMATA's nearly 700 professional, administrative, technical and clerical personnel.

DESCRIPTION

In compliance with the Authority's normal process for approving labor contracts, the WMATA Board was briefed on the terms and conditions for a proposed negotiated settlement with Local 2, OPEIU, in Executive Session on September 7, 2006. On September 11, 2006, the parties reached tentative agreement on the terms of the 2004-2008 Collective Bargaining Agreement. The tentative agreement fixes the basic economic terms for FY 2005 through FY 2008 as well as certain work rule modifications. The Union membership ratified the tentative agreement on September 15 and 18, 2006.

FUNDING IMPACT

The Authority's total contract cost for the four years of the 2004 – 2008 collective bargaining agreement is \$11.5 million. An adequate amount has been accrued to fund contract costs for FY05 and FY06. Sufficient funding has also been allocated in the FY07 approved budget and the FY08 pro-forma budget to cover pay increases applicable to those years.

RECOMMENDATION

That the WMATA Board of Directors' adopt the attached resolution which approves the Memorandum of Understanding establishing the economic terms and work rule modifications for the 2004-2008 Collective Bargaining Agreement; amends the WMATA/Local 2 Retirement Plan; and authorizes the Interim General Manager to execute a new Collective Bargaining agreement accomplishing this action.

PRESENTED & ADOPTED:

SUBJECT: LABOR CONTRACT SETTLEMENT LOCAL 2, OPEIU, AFL-CIO

PROPOSED
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, A majority of professional, administrative, technical and clerical personnel of the Washington Metropolitan Area Transit Authority are represented for purposes of collective bargaining by Local 2, Office and Professional Employees International Union, AFL-CIO; and

WHEREAS, The 2000-2004 Labor Agreement covering the wages, hours and working conditions of these employees expired in June 2004 and was the subject of collective bargaining; and

WHEREAS, A Memorandum of Understanding memorializing a tentative settlement between the parties has been agreed to by the Authority and the Union on September 11, 2006; and

WHEREAS, The Memorandum of Understanding amends and extends the Labor Agreement through June 30, 2008; and

WHEREAS, The significant provisions of the Memorandum of Understanding are described in the fact sheet accompanying this Resolution; and

WHEREAS, The Board of Directors was briefed on the bargaining issues and major terms contained in this Memorandum of Understanding in Executive Session subject to union membership ratification; and

WHEREAS, A majority of the voting union membership ratified the Memorandum of Understanding on September 15 and 18, 2006; and

WHEREAS, The parties agreed to request the Board to amend the definition of the term "Compensation" contained in the WMATA/Local 2 Retirement Plan; and

WHEREAS, Plan §10.01 requires all Plan amendments to be by written resolution; now therefore be it

RESOLVED, That the tentative Memorandum of Understanding reached between the Authority and Local 2 Office and Professional Employees International Union, AFL-CIO

covering the wages, hours and working conditions of these employees is approved by the Board of Directors; and be it further

RESOLVED, That the Interim General Manager is authorized to execute a new Collective Bargaining Agreement covering the 2004-2008 period or until replaced by a successor agreement; and be it further

RESOLVED, That the WMATA/Local 2 Retirement Plan is amended as shown in Exhibit A; and be it finally

RESOLVED, that this resolution be effective immediately.

Reviewed as to form and legal sufficiency.



Carol B. O'Keeffe
General Counsel

TEXT OF AMENDMENT TO THE WMATA/LOCAL 2 RETIREMENT PLAN:

Section 13.09:

13.09 “**Compensation**” will mean the total basic compensation (excluding any overtime payments, special shift payments, bonuses, or other allowances) received by a Participant from the Authority during any calendar month; provided, however, solely in the case of a Participant who ceases to work for the Authority on or after July 1, 2006, Compensation for the period July 1, 2004 through June 30, 2006 shall be computed on the basis of the basic compensation shown on the pay grade schedule maintained by the Authority instead of basic compensation actually received by a Participant. For all Participants accruing Continuous Service on or after December 12, 1994, “Compensation” shall also include the total basic compensation described above that would have been paid by the Authority to the Participant but for the Participant’s being on military leave. The immediately preceding sentence shall apply only if the Participant’s military service meets the requirements of the Uniformed Services Employment and Reemployment Rights Act of 1994 or any successor statute; and if the Participant returns to employment within three (3) months of his release from military service, or such longer period during which his employment rights are protected by law. After January 1, 1993 and before January 1, 2002, under no circumstances will compensation as defined in this section include more than \$150,000 in any twelve consecutive month period. The \$150,000 amount will be adjusted for increases in the cost of living in \$10,000 increments as determined under Internal Revenue Code § 401(a)(17)(B) or any successor statute. After December 31, 2001, compensation will not exceed \$200,000 in any twelve consecutive month period subject to being adjusted for increases in the cost of living in \$5,000 increments as determined under Internal Revenue Code § 401(a)(17)(B) or any successor statute. For any portion of a twelve month period beginning before January 1, 2002, compensation will not exceed the amount allowed by law for the year encompassing the first month of that twelve month period.

* Deletions shown as ~~delete~~. New language is underlined.