



TACOMA HOUSING AUTHORITY

RESOLUTION 2010-12-15 (2)

Date: December 15, 2010
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: OPEIU Salary Opener and Non-Represented Staff Wage Adjustment

Background

The Collective Bargaining Agreement (CBA) between THA and OPEIU Local 23 provide for a negotiated wage and insurance benefit opener effective in January 2011. (The CBA expires at the end of 2011.) THA and OPEIU representatives have reached a tentative agreement for this wage opener. We have also reached a tentative agreement on changes to THA's provision of health insurance and the increased amount that employees pay monthly toward its costs. I describe the proposal below and ask the Board to approve it in this resolution. The agreement on this proposal is contingent on the approval of the Board and the approving vote of OPEIU membership. The OPEIU vote will occur in a few days. By custom, THA will also apply these changes to its forty-one (41) non-union staff.

The Board's adopted budget for this year contemplates a 3% increase. The proposal would be as follows:

- The aggregate increase would be 3%, within the Board's budgeted amount for this purpose. After accounting for the increase in medical premiums that staff will pay monthly, the aggregate increase is 1.9%. The HR Department report in the Board's packet describes the changes in the medical premiums.
- The salary increases would be weighted as follows to favor staff earning the lowest salaries:

Salary	Increase
Up to \$29,999	5%
Above 29,999 to \$39,999	4%
Above \$39,999 to \$79,999	3%
Above \$79,999	2.5%

- All employees whose salaries are currently greater than their salary range or whose salary with the addition of the pay increase would reach or exceed the top of their range will receive a salary increase up to the top of their range or a minimum of 50% of the increase percentage listed above as a salary increase, whichever is greater. They will receive the balance of the total increase, up to 50% of the increase percentage listed above, as a lump sum amount.

Recommendation

I strongly recommend that the Board adopt these changes for OPEIU staff and for THA's non-represented staff for the following reasons:

- It is a modest increase that adequately accounts for the budget uncertainties that THA faces, especially next year. Because of these budget uncertainties, THA has just changed its housing programs that will ask its tenants and recipients to pay more or receive less. The same money pressures account for the modest nature of these increases.
- This aggregate 3% increase does two important things. **First**, staff are THA's primary asset. This increase, though modest, helps to acknowledge their hard work. **Second**, the weighted nature of this increase helps address a problem resulting from our lack of a system that adjusts wages to account for performance. This has left some staff at the bottom of their wage range without a way up.
- These increases are well in line with other measures, even considering the difficult economy. THA has been conservative with its salaries. From 2005 to 2009, when Pierce County's wages increased 23.17%, the City of Tacoma's wages increased 14.59%, and the private sector increased 14.37%, THA's wages increased only 11.59%. In addition, we conducted a salary survey for all OPEIU positions. We found that we are beginning to fall behind the competition in six out of nine positions. We need to use our dollars wisely to retain our staff with competitive salaries. Finally, we conducted a wage increase survey among other housing authorities in our market. We surveyed, Seattle, Portland, King County, Vancouver and Bremerton. They all had increase percentages that ranged from 2% to 6%. Keeping our top quality staff is paramount as we transition into Moving to Work. This increase will help us do that.

I am also pleased to report that the effort to bargain this agreement was constructive, respectful and collaborative. It leaves THA and OPEIU with a productive relationship that we need.



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RESOLUTION 2010-12-15(2)

OPEIU Salary Re-Opener and Non-Represented Staff Wage Adjustment

A RESOLUTION of the Board of Commissioners of the Housing Authority of the City of Tacoma

Whereas, The collective bargaining agreement between the Tacoma Housing Authority (THA) and the Office and Professional Employees International Union, Local 23 (OPEIU) called for a salary and insurance benefit opener in 2010 to be effective in 2011;

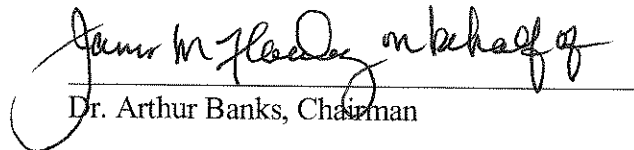
Whereas, The Board of Commissioners finds that the salary increase for OPEIU and non-represented staff reached in the tentative agreement with OPEIU as describe in the accompanying memo is fair and reasonable and that it would serve THA's interests;

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington as follows:

1. The Board authorizes the Executive Director to agree to the salary increases with the Office and Professional Employees International Union, Local 23 described in the accompanying memo and to allow increases to the same extent for non-represented staff.

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington as follows:

Approved: December 15, 2010



Dr. Arthur Banks, Chairman