SUMMARY STATEMENT

ITEM NO.  PATCO-16-013  SUBJECT:  Collective Bargaining Agreements between PATCO and Teamsters

COMMITTEE:  Unfinished Business

COMMITTEE DATE:  N/A

BOARD ACTION DATE:  June 22, 2016

PROPOSAL:  That the Board of the Port Authority Transit Corporation (PATCO) approve the economic provisions and terms delineated in Exhibit A for PATCO’s expired labor contract with Teamsters Local Union 676, affiliated with the International Brotherhood of Teamsters/AFL-CIO (Teamsters), and authorize staff to negotiate the remaining noneconomic terms of the Collective Bargaining Agreement.

BACKGROUND:  Teamsters, currently representing 211 employees who operate and maintain the PATCO high-speed transit system which runs from Lindenwold, New Jersey to Center City Philadelphia; has been working under an expired contract since May 31, 2011;

The essential economic terms of the CBAs are summarized in Exhibit A, attached.

SUMMARY:

Amount:  N/A
Source of Funds:  Operating Budget
Operating Budget:  PATCO Operating Budget (Payroll and Employee Services expenses)
Other Fund Sources:  None
Duration of Contract:  See Exhibit A; through December 31, 2017
Other Parties Involved:  Teamsters
RESOLUTION

RESOLVED: That the Board of Commissioners of PATCO authorizes staff to finalize the Collective Bargaining Agreement between PATCO and the Teamsters substantially on the economic terms set forth in Exhibit A, and authorize staff to negotiate the remaining noneconomic terms of the Collective Bargaining Agreement; and be it further

RESOLVED: That the Chair, Vice Chair and President must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of PATCO. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and President and if thereafter either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of PATCO. If both the Chair and Vice Chair are absent or unavailable, and any agreement or agreements need to be executed during their absence, then the President may execute on behalf of PATCO.

SUMMARY:  Amount:  N/A
Source of Funds:  Operating Budget
Operating Budget:  PATCO Operating Budget (Payroll and Employee Services expenses)
Other Fund Sources:  None
Duration of Contract:  See Exhibit A; through December 31, 2017
Other Parties Involved:  Teamsters
TEAMSTERS

Wages Increases

- Effective 6/1/11 0%
- Effective 6/1/12 0%
- Retroactive to 6/1/13 1.9%
- Retroactive to 6/1/14 1.9%
- Retroactive to 6/1/15 1.9%
- Retroactive to 6/1/16 1.9%
- Effective 6/1/17 1.9%

- Retroactive wage payments will be made on all hours worked, including overtime hours at the applicable premium.

- The increase effective 6/1/15 shall be applied retroactively to that date to disability benefits currently being received by an employee and, if possible, to workers’ compensation benefits an employee is currently receiving.

Health and Welfare Contribution Increases

- Effective 6/1/16 PATCO will pay 100% of the increase in effect 6/1/16.

- Effective 1/1/17 Employees will pay 20% of any increase in premium over the rate in effect as of 6/1/16 and enacted after January 1, 2017.

PATCO may elect component or tiered contribution rates, as opposed to the current composite rate it has been paying. For purposes of calculating the increase in PATCO’s rate in 2017 if it elects component or tiered rates, the weighted average contribution rate based on the coverages applicable to its bargaining unit employees as of 6/1/16 and 6/1/17 will be used.

Pension Contribution Increases

- Effective 8/1/16 Increase contribution rate by 5%
- Effective 8/1/17 Increase contribution rate by 5%