



STAFF REPORT

TO: Chairman and Board Members
THRU: Mark Foree, General Manager
FROM: Andy Gebhardt, Supervisor, Customer Services
DATE: June 7, 2012
SUBJECT: Discussion and request for ratification of the Collective Bargaining Agreement between TMWA and the IBEW Local 1245

RECOMMENDATION

Staff submits for approval the proposed Collective Bargaining Agreement (CBA) between TMWA and the TMWA employees represented by IBEW local 1245.

The term of the proposed CBA is from July 1, 2012 through June 30, 2015. Staff strongly believes that this proposed agreement, the product of more than a year of hard work, is a fair and equitable agreement that will provide labor stability for TMWA during the next three years, which is important for the continued success of TMWA. Because labor negotiations are ongoing, in furtherance of NRS 288.220 the terms of the Tentative Agreement proposal will be presented verbally at the public meeting in the event the Board is prepared to take action on the CBA.

DISCUSSION

The current CBA is set to expire on June 30, 2012. That CBA, which went into effect on July 1, 2009, did not provide for any general wage increases, but instead had provisions in place to hold Wage re-openers in 2010 and 2011. The Wage re-opener in 2010 resulted in a 0% wage increase. In April of 2011, TMWA and IBEW Local 1245 agreed to forego the 2011 Wage re-opener provided for in the current CBA, accept another 0% wage increase, and work towards a longer term contract that would resolve a number of issues and provide stability for all parties. Unlike some other governmental entities, TMWA does not provide Longevity pay, Merit pay, or any other wage enhancements. As a result, the employees represented by IBEW Local 1245 have not had any wage increase in 3 ½ years.

Negotiations were handled through an Interest Based Bargaining, or Mutual Gains, approach and a Core Negotiating Committee was formed along with four sub-committees. These committees were tasked with going over the entire contract, page by page, and have spent the last 13 months doing this. During this time, we identified and resolved approximately 25 issues, ranging from Job Description changes, wording clarifications, vacation and sick leave modifications to changes to wages and benefits. On Friday, May 18, 2012, the two sides reached a Tentative

Agreement on the CBA, pending approval by the membership of IBEW Local 1245, and the TMWA Board of Directors. On Wednesday, June 6, 2012, the membership of IBEW Local 1245 voted to approve the proposed Tentative Agreement and changes to the CBA.

SUMMARY

Staff recognizes the critical role that the employees play in the success of TMWA. Due in very large part to employee efforts (including very significant savings in energy management), TMWA's annual operating expenditures have been reduced to 2005 levels, our hydro-generation production (and revenue) has set an all-time record and our Customer Satisfaction Survey results rank TMWA amongst the highest in the industry. A primary reason for this is the employee satisfaction and stability that we have experienced over the last 11 years which has been made possible by the guidance and support of the Board of Directors. The proposed 3 year CBA provides the stability that is so important to TMWA's continued success.