

MERC STAFF REPORT

Agenda Item/Issue: For the purpose of ratifying a collective bargaining agreement with the International Union of Operating Engineers, Local 701-1.

Resolution No.: 26-06 **Presented by:** Christina Longo, Director of Labor Relations

Date: July 1, 2026

Background and Analysis:

The MERC – IOUE 701-1 collective bargaining agreement represents a contract of the terms and conditions of employment for Utility Leads, a Utility Maintenance Technician, and Event Custodians working at Portland's Centers for the Performing Arts (Portland's) and support the Portland's venues by maintaining clean and safe environments, ensuring a positive experience for patrons and clients. The current collective bargaining agreement between MERC and IOUE 701-1 expires on June 30, 2026.

Management entered into a discussion with the Union on March 16, 2026 to renew the contract. Negotiations continued in an efficient and productive manner and tentative agreement was reached on June 10, 2026. IOUE 701-1 membership overwhelmingly ratified this agreement on June 17, 2026.

This staff report and resolution are respectfully submitted to ratify the contract between IOUE 701-1 and MERC/Metro for the period July 1, 2026 through June 30, 2027. This one-year agreement contains the following key economic elements:

Wages

Effective July 1, 2026, wages will be increased by 2.96%.

Renewal

This agreement will not renew. Members of the bargaining unit work exclusively at Portland's Centers for the Arts and will transfer to a new employer on July 1, 2027.

Short range fiscal impact: There is sufficient budget allocation in the FY 2026-2027 Budget to accommodate the proposed contract changes.

Long range fiscal impact: There is no long range fiscal impact.

Recommendation: Recommend approval of Resolution No. 26-06 which states the MERC Commission approves ratification of the contract.