



**Memorandum of Understanding (MOU) between
Deschutes County and
International Union of Operating Engineers, Local 701 (IUOE)
Regarding Pay Period Alignment Transition Plan**

Document #DC-2023-215

This Memorandum of Understanding (“MOU”) is entered into by and between Deschutes County (the “County”) and the International Union of Operating Engineers, Local 701 (“IUOE”). The County and IUOE are parties to the *Agreement Between Deschutes County and the International Union of Operating Engineers, Local 701*, dated July 1, 2018 – June 30, 2023 (Agreement) inclusive of the Memorandum of Understanding (*In regards to Pay Periods and Paying for Actual Hours Worked*; signed July 18, 2018) as attached to the Agreement.

The purpose of this MOU is for the County and IUOE to come to an agreement providing the County discretion to align its pay period and time collection period effective April 1, 2023, without a one-time reduction in salary during the transitional month and without requiring the County to provide transitional supports to affected employees, as formalized in Section 5 – Transition Plan of the Memorandum of Understanding (*In regards to Pay Periods and Paying for Actual Hours Worked*; signed July 18, 2018) which include providing 90 days’ notice to employees before such alignment and developing a transition plan to assist employees with transitioning to the new pay period.

Per the November 18, 2022 Deschutes County Demand to Bargain regarding the County’s updated Pay Period Alignment Transition plan:

On October 21, 2022, Deschutes County (the County) provided to the International Union of Operating Engineers, Local 701 (the Union) notification of its intention to align its pay period with its monthly time collection period to occur effective April 1, 2023. The Memorandum of Understanding (In regards to Pay Periods and Paying for Actual Hours Worked; signed July 18, 2018) between the Union and the County authorizes the County to implement this change. The MOU also outlines transition supports that the County is contractually obligated to provide to members in order to mitigate the impact of a one-time reduction in the reported pay on the paycheck associated with the transitional month of April 2023 (details as to pay implications during the transitional month are explained in the notification provided to the Union on October 21, 2022). Transition supports as included in the MOU were previously formalized based on the shared assumption of the County and the Union that this transitional month would impact members by way of a one-time reduction in salary.

The County’s plan to align its pay period with its monthly time collection period effective April 1, 2023 has not changed. However, the County seeks to propose to the Union an alternate implementation plan for the pay period alignment that will not result in a reduction of members’ salary during the transitional month. As this alternate implementation proposal would not result in a one-time reduction in members’ salary, the County seeks to come to agreement with the

Union to excuse the County from providing transitional supports to members as formalized in the MOU and/or as indicated in the notification provided to the Union on October 21, 2022.

IUOE understands and agrees with the updated Pay Period Alignment Transition Plan as stated in the County's November 18, 2022 Demand to Bargain. Therefore, the parties hereby agree to amend Section 5 of the Memorandum of Understanding (*In regards to Pay Periods and Paying for Actual Hours Worked; signed July 18, 2018*) and implement the updated Pay Period Alignment Transition plan as follows:

1. The County will not be required to provide 90 days' notice or the supports for employees originally agreed to in Section 5 of the Memorandum of Understanding (*In regards to Pay Periods and Paying for Actual Hours Worked; signed July 18, 2018*). Therefore, upon execution of this MOU the provision in Section 5 requiring the County to provide at least 90 days' notice before changing the pay period for IUOE-represented employees shall become ineffective and unenforceable, and the County shall be fully excused from this obligation.
2. Instead of the transition plan to assist employees previously agreed to in Section 5 of the Memorandum of Understanding (*In regards to Pay Periods and Paying for Actual Hours Worked; signed July 18, 2018*), effective April 1, 2023, the County shall implement the following transition plan to align its pay period and time collection period:
 - a. The time collection period will remain the 22nd of the month until the 21st of the next month. The pay period, which is currently the 1st of the month to the end of the month, will be adjusted to align with the County's time collection period, the 22nd of the month until the 21st of the next month. The payday will remain the last working day (non-holiday) of the month. Pay will no longer be projected from the 22nd to the end of each month.
 - b. The County will continue to pay employees' regular monthly salary during the shortened time collection period associated with the transition month of April 2023.
 - c. There will be no one-time reduction in the amount of salary paid to employees during the transition period, nor will employees be expected to make up or pay back any portion of their salary impacted by the transition after the transition has been completed. Instead, the County will realize the financial costs associated with excusing employees from the one-time reduction in the amount of salary paid to employees during the transition month. These costs will be realized by the County incrementally and over time.
3. This Pay Period Alignment Transition plan will be a one-time occurrence and it does not create a binding or enforceable precedent or past practice.
4. IUOE acknowledges that under ORS 243.672(1)(e) the parties are obligated to bargain in good faith prior to altering the status quo of any mandatory subject of bargaining that is not included the CBA. IUOE hereby acknowledges as satisfied any right under federal, state, or common law to bargain any aspect of the Pay Period Alignment Transition plan detailed in this MOU, including the implementation, modification, or discontinuation of the plan.
5. Should any provision or provisions of this MOU be construed by a court of competent jurisdiction to be void, invalid or unenforceable, such construction shall affect only the provision of provisions so construed, and shall not affect, impair or invalidate any of the other provisions of this MOU which shall remain in full force and effect.

6. The provisions of this MOU are contractual and are not mere recitals. All terms, provisions and conditions of the MOU shall be binding upon and inure to the benefit of the parties and to their respective heirs, executors, administrators, agents, representatives, successors and assigns.
7. This MOU shall be governed by and interpreted in accordance with the laws of the State of Oregon.
8. This MOU may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by email delivery of a ".pdf" format data file or a similar format, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page is original thereof.
9. Any dispute concerning the terms and conditions of this MOU brought by the County or IUOE on behalf of its represented employees will be resolved under the terms of Article 6- Grievance Procedures of the Agreement.
10. Except and unless specifically modified by this MOU, all terms and conditions of the Agreement shall remain in effect. To the extent any of the terms of this MOU conflict with those in the Agreement, the term and conditions of this MOU shall prevail for so long as it is in effect.
11. The parties acknowledge that they have had the opportunity to consult with their own legal counsel before signing and that they have either consulted with their own legal counsel regarding the terms and consequences of this MOU or have voluntarily elected not to consult with an attorney before signing.

BY SIGNING BELOW EACH OF THE PARTIES ACKNOWLEDGE THAT THEY HAVE READ THIS THREE-PAGE MEMORANDUM OF UNDERSTANDING, THEY UNDERSTAND AND AGREE TO ITS TERMS AND THE CONSEQUENCES THEREOF, AND THAT THEY HAVE SIGNED IT KNOWINGLY AND VOLUNTARILY.


Agreed to on this 6 day of March, 2023.

Signatures:



Nick Lelack for Deschutes County

3-6-23
Date



James Anderson for IUOE

3-3-23
Date

