

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No. 5f
Date of Meeting June 4, 2013

DATE: May 28, 2013

TO: Tay Yoshitani, Chief Executive Officer

FROM: Kim Ramsey, Labor Relations Manager

SUBJECT: Collective Bargaining Agreement between the Port of Seattle and Teamsters Local Union No. 117 representing Credential Specialists, Credential Specialist Lead and Credential Center Receptionist

Total Port Cost Increase: \$71,367

Period of Agreement: 3 years

Source of Funds: Aviation Division, Aviation Credential Center Operating Budget

ACTION REQUESTED:

Request Commission authorization for the Chief Executive Officer to execute a new collective bargaining agreement (CBA) between the Port of Seattle (Port) and the Teamsters Local Union No. 117 (Union), representing Credential Specialists, Credential Specialist Lead and Credential Center Receptionist covering the period July 1, 2012, through June 30, 2015, and affecting eight positions.

SYNOPSIS:

Good faith bargaining between Teamsters Local Union No. 117 and the Port of Seattle resulted in a fair contract consistent with the Port's priorities. The estimated additional cost per year of the contract is: year one \$22,987; year two \$26,015; and year three \$22,366.

For the first time, this CBA provides employee premium cost sharing for medical benefits (\$30/month in 2014 and \$50/month in 2015). Other major items include the application of a local indexed cost of living increase to the market level wage scale for each year of the contract with a 0% floor and 6% maximum annual adjustment; a 0.7% base wage increase that was bargained in exchange for the elimination of two floating holidays; and a conversion, at zero cost increase to the Port, from a prior contribution of \$1.35 per work hours compensated to the Pacific Coast Pension Trust to the same contribution level to the Western Conference of Teamsters Pension Trust.

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BACKGROUND:

The eight employees of this bargaining unit are responsible for issuing identification badges, keys and assigning access to restricted areas at the Airport for approximately 15,000 customers, internal and external to the Port.

PROJECT JUSTIFICATION:

RCW Chapter 41.56 requires the Port of Seattle to collectively bargain wages, hours and working conditions with the exclusive bargaining representative designated by the employees.

SCOPE OF AGREEMENT:

Term of Agreement:

July 1, 2012 – June 30, 2015

Wages:

- Effective July 1, 2012, base wage rates will increase by 2.9%.
- Effective January 1, 2013, base wage rates will increase by .7%.
- Effective July 1, 2013, and July 1, 2014, base wage rates will increase by 100% of the Seattle/Tacoma/Bremerton CPI-U (All Urban Consumers), April to April, with a zero percent (0%) minimum and a six percent (6%) maximum.
- Appendix A provides for a 5% over base rate of the Credential Specialist rate for holding the position of Credential Specialist Lead.

The total estimated additional cost to the Port for wages only, not including benefits, for the duration of the three-year agreement is \$40,015. This includes an estimated 2.5% increase for year 3. The estimated additional cost per year of the contract is: year 1, \$13,724; year 2, \$15,160; and year 3, \$11,131.

Benefits

- Effective January 1, 2013, the total increased cost of the Teamsters Plan A health benefits is \$61 per month per employee.
- Effective January 1, 2014, each employee shall contribute \$30.00 per month toward the monthly premium.
- Effective January 1, 2015, each employee shall contribute \$50.00 per month toward the monthly premium
- Article 15.02., removes two floating holidays.

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The total estimated additional cost to the Port for Health and Welfare benefits for the duration of the 3-year agreement is \$31,352. This includes an estimated 8% cost increase the second and third years of the contract. The estimated additional cost per year of the contract is: year 1, \$9,263; year 2, \$10,854; and year 3, \$11,235.

Working Conditions

- Article 6. Clarification of use of port resources for contract administration in compliance with port policy.
- Article 8. Added language memorializing bargaining unit member participation in the port's internal internship program.
- Article 10.01. Extension of probationary period by mutual agreement for up to three additional months.
- Article 10.02. Provides for bumping to a lower level position in the case of layoff.
- Article 13.02. Incorporates Workplace Disruption policy into contract.
- Article 13.03. Provides process for distributing scheduled and unscheduled overtime.
- Article 14.02. Provides for modified vacation bid process.
- Article 14.06.4. Provides for use of extended illness leave for preventive health care appointments.
- Article 24. New article on corrective action and discipline consistent with current practice and HR policy.
- Other: The CBA additionally includes miscellaneous language changes and housekeeping items.

FINANCIAL IMPLICATIONS:

The estimated combined total of annual wage and benefit cost increases to the Port for the duration of the contract is \$71,367. The estimated additional cost per year of the contract is: year one \$22,987; year two \$26,015; year three \$22,366.

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OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:

Collective Bargaining Agreement between the Port of Seattle and Teamsters Local Union No. 117 representing Credential Specialists, Credential Specialist Lead and Credential Center Receptionist.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS:

None.