

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA**

**ACTION ITEM**

<b>Item No.</b>	4d
<b>Date of Meeting</b>	June 14, 2016

**DATE:** June 8, 2016

**TO:** Ted Fick, Chief Executive Officer

**FROM:** David Freiboth, Senior Director of Labor Relations  
Milton Ellis, Labor Relations Manager

**SUBJECT:** New collective bargaining agreement with Local 763, Teamsters, representing Police Commanders.

**Total Port Cost Increase for the Duration of the Agreement:** \$56,756

**Source of Funds:** Port of Seattle Police Department

**ACTION REQUESTED**

Request Commission authorization for the Chief Executive Officer to execute a new collective bargaining agreement (CBA) between the Port of Seattle and Local 763, Teamsters, Police Commanders representing the Police Department for the Port of Seattle covering the period from January 1, 2016, through December 31, 2018, and affecting 5 Police Commander positions.

**SYNOPSIS**

Good faith bargaining between Local 763, Teamsters, representing Police Commanders and the Port of Seattle resulted in a fair collective bargaining agreement consistent with the Port's priorities. The bargaining group is at market. This agreement is for three years covering the period from January 1, 2016, through December 31, 2018. This bargaining group is currently at market. The estimated total additional cost for wages and benefit increases is \$56,756. The estimated additional cost per year of the contract is: year one, \$14,019; year two, \$21,063; and year three, \$21,674. The cost is based upon a 1.2 percent increase in wages in year one and an estimated 2.0% COLA increase in wages in years two and three of the agreement. In addition, the cost consists of a 5.68% increase in health insurance in year one of the agreement and an estimated 5.92% increase in years two and three of the agreement which represents an average increase in the last five years.

The agreement provides for a 401(a) employer retirement contribution for any member in the bargaining group who would not otherwise qualify for either the Law Enforcement Officers and Fire Fighters' retirement system (LEOFF) or the Public Employees' Retirement System (PERS).<sup>1</sup>

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<sup>1</sup> There is currently no one in the bargaining unit who would qualify for this benefit.

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The agreement also incorporates the four week parental leave policy and specifies that the Port would provide advance notice to Local 763 for any changes to the policy. With respect to health insurance, the agreement provides for a “me too” with Sergeants by stating that if the Sergeants are provided with an incentive to change health plans and agree to such change in health plans, that the Port would provide Local 763 with a similar incentive for changing health plans and negotiate the impact of such change. The agreement provides for a COLA in each year of the agreement. The agreement also provide Commanders with the ability to be provided with a one-percent (1.0%) premium beyond their base pay (similar to police officers) by passing a physical fitness test administered by the Criminal Justice Training Commission (CJTC) or a mutually agreed upon third party. The one percent (1.0%) premium would become effective the following calendar year. Commanders would have to continue to pass the examination each year to continue receiving the 1.0% premium pay. The Equal Employment Opportunity provision of the agreement was updated to comply with both state and federal law. The Bill of Rights section of the agreement was modified to provide additional due process rights to members in the bargaining unit similar to police officers.

## **BACKGROUND**

The Teamsters, Local 763, consists of five (5) Commanders. These employees are assigned to the Police Department of the Port of Seattle. This agreement is for three years covering the period from January 1, 2016, through December 31, 2018. The previous agreement expired on December 31, 2015. RCW Chapter 41.56 requires the Port of Seattle to collectively bargain wages, hours and working conditions with the bargaining representative designated by the employees.

## **SCOPE OF THE AGREEMENT**

### **Term of the Agreement**

Retroactive to January 1, 2016, through December 31, 2018.

### **Wages:**

Effective January 1, 2016, this Collective Bargaining Agreement shall provide the following:

Effective June 1, 2016: 1.2% hourly wage increase, to \$62.39

Effective June 1, 2017: Base monthly rate will be increased by an amount equal to one-hundred percent (100%) of the percentage of the Seattle/Tacoma/Bremerton CPI-U October 2015 – October 2016 with a 0% minimum and a 6% maximum.

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Effective June 1, 2018:

Base monthly rate will be increased by an amount equal to one-hundred percent (100%) of the percentage of the Seattle/Tacoma/Bremerton CPI-U October 2015 – October 2016 with a 0% minimum and a 6% maximum.

- Salary increase for 2017 and 2018 is estimated at 2.0% each year.

### **Health and Welfare:**

Local 763 agrees to change their health plan in year three of the agreement (2018) if Sergeants do the same in 2018 and the Port provide Local 763 the same incentive provided to Sergeants to change health plans.

### **Benefits:**

The agreement provides for a 401(a) employer retirement contribution for any member in the bargaining group who would not otherwise qualify for either the Law Enforcement Officers and Fire Fighters' retirement system (LEOFF) or the Public Employees' Retirement System (PERS).

### **Parental Leave**

Employees will be provided with four weeks of paid parental leave in accordance with Port policy and the Union will be provided with advance notice of any changes to the parental leave policy.

### **Physical Fitness Incentive Pay**

Members of the bargaining groups will be eligible to receive one percent (1.0%) incentive pay over their base wages if they pass a physical fitness test administered by the Criminal Justice Training Commission (CJTC) or a mutually agreed upon third party. Such pay will become effective the following calendar year.

### **Other Changes**

- Equal Employment Opportunity language was updated to comport with state and federal law
- Additional due process protections were added to the Officers Bill of Rights
- Obsolete language in the agreement was deleted

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**FINANCIAL IMPLICATIONS**

Cost Impact \$	Year 1	Year 2	Year 3
Pay	\$8,371	\$14,119	\$14,401
Benefits	\$5,648	\$6,944	\$ 7,273
Total	\$14,019	\$21,063	\$21,674

The estimated total additional cost to the Port for the duration of the contract is \$56,756.

***Budget Status and Source of Funds***

The increase in expense is included in the Police Department 2016 budget.

**ATTACHMENTS TO THIS REQUEST**

Collective Bargaining Agreement between Port of Seattle and Teamsters, Local 763, representing Police Commanders.

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

None.