

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No.	<u>4c</u>
Date of Meeting	<u>August 23, 2016</u>

DATE: August 16, 2016
TO: Ted Fick, Chief Executive Officer
FROM: David Freiboth, Senior Labor Relations Director
Kim Ramsey, Labor Relations Manager
SUBJECT: Memorandum of Agreement between the Port of Seattle and International Union of Operating Engineers, Local 286

ACTION REQUESTED

Request Commission authorization for the Chief Executive Officer to execute a memorandum of agreement (MOA) between the Port of Seattle and the International Union of Operating Engineers, Local 286, to establish a job classification within the bargaining unit, Baggage Systems Engineer.

SYNOPSIS

To meet growing demands on the baggage handling system at Sea-Tac, this classification is designed to use experienced operating engineers to closely monitor the system with system wide focus and prioritize service while developing necessary contingencies to meet customer need in real time. This MOA classifies the job of Baggage Systems Engineer to the existing Operating Engineer bargaining unit at a pay rate equal to eighty-five percent (85%) of the journeyman Operating Engineer rate of pay. Two Baggage Systems Engineer FTEs, approved as part of the 2016 budget process, are one component in the overall development of a baggage system operations management program. This MOA is a placeholder and approval does not commit the Port to filling the budgeted positions. Actual hiring is subject to future management approval.

These Baggage Systems Engineers will provide additional needed system monitoring to ensure smooth and efficient operations. They will be critical in proactively taking actions as system operational conditions escalate to avoid system upsets and insure the response to system upsets are prioritized when they do occur to best maintain optimal baggage throughput. Incumbents will use their knowledge and experience of Sea-Tac's baggage handling systems to direct operations, triage alarms, aid in contingency actions, and trend performance. In addition, incumbents will participate with the baggage systems team to identify opportunities for overall system improvements through systems data analysis.

Adding these positions will allow system operations to continue the move from a reactive to a proactive operations model. Early testing with existing resources indicate positive outcomes such as reduced flight delays and missed bags resulting in cost avoidance to the airlines and travelers, increasing customer service and satisfaction.

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The cost associated with filling the two budgeted FTE's, annualized for 2016, is estimated at \$153,129

BACKGROUND

As baggage volumes continue to increase with airport growth, each of the six outbound baggage systems has become increasingly taxed. The outbound systems (C96, C60, C61 and C25) are most impacted by the large growth of Delta, the international carrier growth, and the continued summer peaks of Southwest straining all systems. With limited ability to add capacity and the Baggage Optimization project not able to provide operational relief in the short term, the need for proactive systems management practices, and a best management practice in general, are even more necessary to mitigate the impacts under the current conditions.

Baggage Systems Engineers are technically trained in the operations of the baggage systems, and will be responsible for monitoring all baggage systems via the Port's Facility Monitoring System (FMS), Video Monitoring System (VMS) and the various baggage reporting systems. This proactive monitoring allows for pre-emptive actions to be taken before a baggage upset condition reaches a critical status. Taking pre-emptive action can reduce the duration of an event, and reduce the impact, by informing the airline and engaging them in mitigating activities. Knowledgeable eyes-on monitoring of the systems is considered a best management practice as evidenced by their use in airports in Europe as well as Delta's operation at John F. Kennedy International Airport.

Currently system alarms and trouble calls are communicated from the Aviation Operations Airport Control Center (ACC) by Senior Operations Controllers (SOC) represented by ILWU Local 9 to Aviation Maintenance. Port Labor Relations is currently in negotiations with ILWU Local 9 regarding the potential transfer of the "call out" task during peak hours of operation to the position of Baggage Systems Engineer when on duty.

SCOPE OF THE AGREEMENT

The agreement establishes a rate of pay and other conditions of employment related to the Baggage Systems Engineer positions and will amend the June 1, 2014 – May 31, 2018 Collective Bargaining Agreement between the Port of Seattle and the International Union of Operating Engineers, Local 286.

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FINANCIAL IMPLICATIONS

Annual Cost	FTE	Pay Rate	Benefit Rate	Total Cost 2016
2016	2	\$32.72	50%	\$153,129.00
2017	2	\$33.70	50%	\$210,288.00

Note: Costs identified are for comparison purposes only. The action requested is to execute the memorandum of agreement. Budget costs and numbers of positions are developed through the expense budgeting process. Two such positions were approved through the 2016 budgeting process, but are not yet filled.

ATTACHMENTS TO THIS REQUEST

- Memorandum of Agreement between the Port of Seattle and the International Union of Operating Engineers, Local 286

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- January 12, 2016 – Commission authorized full collective bargaining agreement with Operating Engineers, Local 286.