



**COMMISSION
AGENDA MEMORANDUM**

Item No. 4f

ACTION ITEM

Date of Meeting June 13, 2017

DATE: June 6, 2017

TO: Dave Soike, Interim Chief Executive Officer

FROM: David Freiboth, Sr. Director, Labor Relations
Mikel O'Brien, Sr. Labor Relations Manager

SUBJECT: Collective Bargaining Agreement Extension between the Port of Seattle and the Teamsters Local No. 117 representing Rental Car Facility Bus Drivers.

Additional cost over term: \$814,767

ACTION REQUESTED

Request Commission authorization for the Chief Executive Officer to execute a new collective bargaining agreement between the Port of Seattle and the Teamsters Local Union No. 117, representing the Rental Car Facility Bus Drivers, covering a period from March 15, 2016, through March 14, 2019.

EXECUTIVE SUMMARY

Good faith bargaining between Teamsters Local No. 117 and the Port of Seattle resulted in a fair collective bargaining agreement consistent with the Port's priorities. The estimated total additional cost for wages and benefits, including paid time off, pension and estimated health care benefits, for the duration of the three-year agreement is \$814,767. The estimated additional cost per year of the contract is: year one, \$161,122; year two, \$301,996; and year three, \$351,767. The increased estimated cost in the second year of the contract is largely due to the implementation of a \$2.00 per hour premium for baggage handling/passenger assistance.

JUSTIFICATION

There are 49 positions in the bargaining unit, including full-time, part-time, and relief bus drivers and up to 9 seasonal drivers. The parties have concluded negotiations and seek authority for execution of the collective bargaining agreement. 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 the Agreement
March 15, 2016, through March 14, 2019.

Meeting Date: June 13, 2017

FINANCIAL IMPLICATIONS

Wages

Effective March 15, 2016, this collective bargaining agreement shall provide the following wage scale: \$18.50 at entry through \$24.00 after six years. Wages will be adjusted by 3% on 3/15/17 and by 100% of the 2017 CPI-U annual average (0-6%) on March 15, 2018.

Effective September 15, 2016, RCF Bus Drivers will receive a \$2.00 per hour premium for baggage handling for hours worked.

Benefits

The employees are currently on Teamsters Plan A for health care, a 90/10 plan. Effective the month following execution of this agreement, the employees will move to Teamsters Plan B, an 80/20 plan. The employees will receive a temporary reprieve from a premium share until January of 2019 and the Port will begin contributing to the Teamsters 9 month Disability Waiver in exchange for moving to the less expensive medical plan.

Leave

While employees accrue Paid Time Off (PTO), they do not currently have sick leave or extended illness leave. This agreement provides employees up to 24 hours of Extended Illness Leave per year. The agreement also incorporates the Port’s Paid Parental Leave benefit.

Cumulative Cost Impact \$	Year 1	Year 2	Year 3
Labor	\$161,122	\$348,066	\$386,908
Benefits	0	-\$46,070	\$10,811
Total	\$161,122	\$301,996	\$351,649

Annual Budget Status and Source of Funds

RCF Customer Facility Charges (CFC) 2016, 2017, 2018 and 2019, and future operating budgets of the Rental Car Facility Transit Operations.

ATTACHMENTS TO THIS REQUEST

1. Collective Bargaining Agreement between Port of Seattle and Teamsters Local No. 117 representing Rental Car Facility Bus Drivers.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None