



**COMMISSION
AGENDA MEMORANDUM**

Item No. 4g

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
Greg Gauthier, Labor Relations Manager

SUBJECT: Collective Bargaining Agreement Extension between the Port of Seattle and the International Longshore and Warehouse Union Local 9 Representing Aviation Operations.

Additional cost over term: \$644,081

ACTION REQUESTED

Request Commission authorization for the Chief Executive Officer to execute a new collective bargaining agreement (CBA) between the Port of Seattle and the International Longshore and Warehouse Union Local 9 representing Aviation Operations covering the period from January 1, 2016, through December 31, 2019.

EXECUTIVE SUMMARY

Good faith bargaining between the Port of Seattle and ILWU, Local 9 resulted in a fair collective bargaining agreement consistent with the Port's priorities. The Parties agreed to bifurcate the existing Aviation Operations/Aviation Security Bargaining Unit into two separate bargaining units in order to comport with RCW 53.18.060 which states that security personnel cannot be included in the same agreement as non-security personnel within a Port district.

The estimated total additional cost for wages and benefit increases is \$274,444. The estimated additional cost per year of the contract is: 2016/2017, \$156,034; 2018, \$57,569; and 2019, \$60,841. The cost is based upon a 5% increase in year 2016, a 4% increase in 2017 followed by an estimated 2.0% CPI-U increase in years 2018 and 2019.

JUSTIFICATION

The ILWU, Local 9 Operations bargaining unit consists of 19 Senior Operations Controllers and 9 Airfield Operations Specialists. Senior Operations Controllers provide a centralized communication resource for monitoring and coordinating a variety of airport activities that affect the safe, efficient and secure provision of services to passengers, tenants and customers in compliance with Federal Aviation Regulations and the Airfield Operations Specialists support the Airport's Operating Certificate by performing required duties under FAR Part 139, such as

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daily inspections of all runways, taxiways, and ramps/aprons and ensuring regulatory compliance and safety and to enforce the Port of Seattle’s Rules and Regulations on the airfield.

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 THE AGREEMENT

Term of the Agreement

Retroactive to January 1, 2016, through December 31, 2019.

FINANCIAL IMPLICATIONS

Wages

Classification	Effective 1/1/2016 Base Hourly Rate (+5%)	Effective 1/1/2017 Base Hourly Rate (+4%)	Effective 1/1/2018 COLA Seattle/Tacoma/Bremerton CPI-U (0-6)	Effective 1/1/2019 COLA Seattle/Tacoma/Bremerton CPI-U (0-6%)
Airfield Operations Specialists	\$32.48	\$33.78	TBD	TBD
Senior Operations Controllers	\$32.48	\$33.78	TBD	TBD

Wage Progression Chart¹

Wage rates for new employees entering into the following classifications shall be based upon the following tiered system:

Airfield Operation Specialist
Senior Operations Controller

<u>0-12 Months</u>	<u>85%</u>
<u>13-24 Months</u>	<u>90%</u>
<u>25-36 Months</u>	<u>95%</u>
<u>37+ Months</u>	<u>100%</u>

Recognition

The parties agree that the intent of the agreement will operate to maintain the existing scope of work historically performed by the members of the bargaining unit.

Health and Welfare

Eligible employees will be provided the same options for health coverage as non-represented employees, with a waiver of any right to negotiate the package specifics.

¹ Stepped increases for all employees starting into the listed classifications upon implementation of agreement.

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New Holiday - Harry Bridges Day

Employees who work on July 28th of each year shall be paid at time and one half for all hours worked in recognition of Harry Bridges.

Other Changes

- Requirement that Airfield Operations Controllers have a Concealed Pistol License
- Amending the timeframe for the Union to file directly to a 2nd step grievance to 21 days
- Bumping rights in the event of a reduction in force for qualified employees from the Operations bargaining unit into the Security bargaining unit
- Reasonable suspicion drug testing
- An increase in the work shoe reimbursement from 50% of \$100 to 100% of \$100
- Temporary service in a new classification counts towards trial period if selected to new position
- Labor Management Committee to include accurate notes and issues of concern to either party are permissible issues for discussion
- The parties agree to gather input and discuss job descriptions within 30 days of ratification
- Provide employees with 5 working day notice before modifying schedule for training
Incorporating the Port’s Paid Parental Leave Policy into the agreement

Cost Impact \$	2016/2017	2018	2019	Totals
Labor	\$102,128	\$40,103	\$40,905	\$183,136
Harry Bridges Day²	\$4,241	\$2,205	\$2,293	\$8,739
Benefits	\$49,665	\$15,261	\$17,643	\$82,569
Year over Year Cost	\$156,034	\$57,569	\$60,841	\$274,444
Total Cumulative Cost	\$156,034	\$213,603	\$274,444	\$644,081

² Assumes 55% of employees work on July 28 of each year

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ATTACHMENTS TO THIS REQUEST

1. Collective Bargaining Agreement (CBA) between the Port of Seattle and the International Longshore and Warehouse Union Local 9 representing Aviation Operations covering the period from January 1, 2016, through December 31, 2019.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None