



**COMMISSION
AGENDA MEMORANDUM**

Item No. 4k

ACTION ITEM

Date of Meeting December 12, 2017

DATE: December 6, 2017

TO: Dave Soike, Interim Executive Director

FROM: David Freiboth, Sr. Director, Labor Relations
Milton Ellis, Labor Relations Manager

SUBJECT: New collective Bargaining Agreement between the Port of Seattle and the International Brotherhood of Teamsters, IBT, Local 117, representing Officers.

Total Port Cost Increase for the Duration of the Agreement: \$524,225

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 Brotherhood of Teamsters, Local 117, representing Officers at the Port of Seattle covering the period from January 1, 2018, through December 31, 2018.

EXECUTIVE SUMMARY

Good faith bargaining between the International Brotherhood of Teamsters, Local 117, and the Port of Seattle resulted in a fair collective bargaining agreement consistent with the Port's priorities. This agreement is for one year covering the period from January 1, 2018, through December 31, 2018. The estimated total additional cost for wages and benefit increases is \$524,225.

The cost is based upon a 3.0% cost of living (COLA) increase, plus an additional four percent (4.0%) increase in wages. The cost also consists of no increase in health insurance.

The one year agreement provides for Port of Seattle acquisition of work on drives at Sea-Tac Airport that was awarded to Local 117, Officers as a result of an interest arbitration decision in 2001. The latter will now allow the Port of Seattle Police Department to staff the drives with civilian Traffic Support Specialists permanently which will results in a cost savings over time. The one year agreement also provides for a modification of the night shift differential language to apply only to Officers on Patrol. The one year agreement also provides for an update in the new sick leave law that goes into effect January 1, 2018.

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JUSTIFICATION

The IBT, Local 117 Officers bargaining unit consists of 78 employees consisting of Officers. Members of the bargaining group provide law enforcement services on all properties own by the Port of Seattle. RCW Chapter 41.56 requires the Port of Seattle to collectively bargain wages, hours and conditions of employment with the exclusive bargaining representative designated by the employees.

DETAILS

Term of the Agreement

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

FINANCIAL IMPLICATIONS

Wages

Classification	Effective 1/1/18 Base Hourly COLA Rate (3.0%), plus (4.0%)
Officer	\$45.26/Hour

Traffic Support Specialists

The Port of Seattle Police Department will now be able to staff the drives at Sea-Tac Airport with civilian Traffic Support Specialists on a permanent basis. The long term effect of this arrangement will results in savings for the Port of Seattle on the basis of the difference in the wage rate of an Officer and that of a Traffic Support Specialists.

For example, assume a staffing equivalency of 13 Officers compared to 10 Traffic Support Specialists that are needed to staff the drives. The projected cost for the 13 Officers is \$131,000 per FTE and the projected cost of 10 Traffic Support Specialists is \$61,000 per FTE. If the Port staffed the drives with 13 Officers, it would cost the Port \$1,703,000. Alternatively, if the Port staffed the drives with 10 Traffic Support Specialists, it would cost the Port \$1,000,021 which includes the wages of the Traffic Support Specialists plus the raise over COLA. This would result in a cost savings of \$702,979. In two years, the savings would be \$946,977 with a cumulative savings of this staffing configuration of \$1,649,955. In three years, the savings would be \$1,148,333 with a cumulative savings of \$2,798,288.

Assume the same staff equivalency, but double the number of Officers, 26, and Traffic Support Specialists, 20 staff the drives. If the Port staffed the drives with 26 Officers, this would cost the

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Port \$3,406,000. Alternatively, if the Port staffed the drives with 20 Traffic Support Specialists, this would cost the Port \$1,610,021. This would result in a cost savings of \$1,795,979. In two years, the savings would be \$2,067,302 with a cumulative savings of \$3,863,280. In year three, the savings would be \$2,296,666 with a cumulative savings of \$6,159,946.¹

Other Changes

- Modification of the night shift differential language to apply only to Officers assigned permanently to night Patrol.
- Modification of the sick leave language to conform with the changes to the state sick leave law that becomes effective January 1, 2018.

Cost Impact \$	Year 1
Pay	\$481,250
Benefits	\$42,976
Total	\$524,225

The estimated total additional cost to the Port of Seattle for the duration of the contract is \$524,225.

ATTACHMENTS TO THIS REQUEST

1. Collective Bargaining Agreement between the Port of Seattle and the International Brotherhood of Teamsters, Local 117, representing Police Officers in the Port of Seattle Police Department, covering the period from January 1, 2018, through December 31, 2018.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None

¹ See attached spreadsheet