

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

**COMMISSION AGENDA**

**Item No.** 6c

**ACTION ITEM**

**Date of Meeting** April 10, 2012

**DATE:** April 2, 2012

**TO:** Tay Toshitani, Chief Executive Officer

**FROM:** Lisa Hornfeck, Labor Relations Manager

**SUBJECT:** Extension Agreement between the Port of Seattle and Seattle King County Building and Construction Trades Council.

**ACTION REQUESTED:**

Request Commission authorization for the Chief Executive Officer to execute a two-year agreement covering 108 trade workers, and extending the current maintenance addendum agreement between the Port of Seattle and the Seattle King County Building and Construction Trades Council. The agreement covers the period of January 1, 2011, through December 31, 2012.

**SYNOPSIS:**

The Maintenance Addendum Agreement covers 108 trade workers in Marine Maintenance and Aviation Maintenance. This agreement is contingent on the parties' commitment, during the remaining term of this agreement, to continue to discuss health care benefits and costs, to be addressed in the subsequent agreement. Wages shall continue to be based on 88% of the hourly wage rates contained in the Uptown Agreements between the Trade Unions and the Associated General Contractors (AGC). The employees will continue to be covered by their applicable Trust Health and Welfare and pension plans. Several of the trades unions are in negotiations with the AGC this year and wage rates for 2012 are unknown. The other trade unions, that have available 2012 wage information, either have no wage increase or only very moderate increases. This has been consistent the last few years. The anticipated estimated cost increase was included in the 2012 operating budgets.

The regional construction market is just beginning to come out of the recession and in many of the trades unemployment remains high. The parties have been in negotiations since late 2010 and have maintained wages and working conditions under the prior agreement during negotiations. Due to market conditions, the parties initially proposed and agreed to a one-year extension through 2011. However, by the time this agreement was reached and would be sent for approval, it was almost the end of the one-year extension. Therefore, after further discussions, the parties

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have agreed to a two-year extension of the prior agreement, maintaining wages, benefits and other conditions of employment.

### **PROJECT JUSTIFICATION:**

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**

Two-year extension of current terms and conditions: January 1, 2011 – December 31, 2012.

#### **Additional Language**

The parties agreed to a memorandum of understanding that would attach to the maintenance addendum memorializing the past and current process of the Port of Seattle Marine Maintenance pre-employment drug testing program. This provision is consistent with current practice and will not increase cost to the Port.

### **FINANCIAL IMPLICATIONS:**

The trade unions are in negotiations with the AGC this year and wage rates for 2012 are unknown. Wage rates for the past few years have been flat or only modestly increased.

### **BUDGET STATUS AND SOURCE OF FUNDS:**

The increase in expense is included in the Aviation and Marine Maintenance departments' 2012 operating budgets. It will be paid from the Development Funds.

### **OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:**

Maintenance Addendum Agreement between the Port of Seattle and the Seattle King County Building and Construction Trades Council.

### **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS:**

None.