

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

**COMMISSION AGENDA**

**ACTION ITEM**

<b>Item No.</b>	4c
<b>Date of Meeting</b>	November 24, 2015

**DATE:** November 16, 2015

**TO:** Ted Fick, Chief Executive Officer

**FROM:** David Freiboth, Senior Director of Labor Relations  
Kim Ramsey, Labor Relations Manager

**SUBJECT:** New collective bargaining agreement with the International Brotherhood of Teamsters, Local 117, representing Police and Fire Communication Specialists.

**Total Port Cost Increase for the Duration of the Agreement:** \$109,054

**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, covering the period from January 1, 2015, through December 31, 2017, and affecting 15 Police and Fire Communication Specialist positions.

**SYNOPSIS**

The Port and the International Brotherhood of Teamsters, Local 117 worked collaboratively and in good faith to reach this successor CBA designed to meet the shared priorities of the parties. This three year CBA covers the period from January 1, 2015, through December 31, 2017. The estimated total additional cost for wages and benefit increases is \$109,054. The estimated additional cost per year of the contract is: year one, \$34,430; year two, \$29,482; and year three, \$45,143.

Employees will pay an increased portion of the cost of their health insurance premium. Employees will receive annual cost of living increases based on an historically used Consumer Price Index. The agreement also provides wages adjustments over CPI to bring the base wage to a market average of comparable positions in local dispatch organizations.

Additionally, the Parties made agreements to modify the existing CBA to update out dated provisions and to clarify and streamline leave administration, shift rotation and vacation bidding processes.

## **COMMISSION AGENDA**

Ted Fick, Chief Executive Officer

November 16, 2015

Page 2 of 4

### **BACKGROUND**

The International Brotherhood of Teamsters, Local 117, represents a bargaining unit of 15 Police and Fire Communication Specialists. These employees work in the Police Department Dispatch Center at Sea-Tac Airport. They are responsible for providing emergency dispatch services 24/7 for Port of Seattle Police and Fire departments and for the City of Normandy Park. The previous agreement expired on December 31, 2014. 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**

January 1, 2015, through December 31, 2017.

#### **Wages:**

Effective January 1, 2015:

Base wage rates shall be increased by the sum of one hundred percent (100%) of the Consumer Price Index for Seattle, Tacoma, Bremerton (CPI-U) October 2013 to October 2014, with a 0% minimum and a 6% maximum plus 1%.

Effective January 1, 2016:

Base wage rates shall be increased by the sum of one hundred percent (100%) of the Consumer Price Index for Seattle, Tacoma, Bremerton (CPI-U) October 2014 to October 2015, with a 0% minimum and a 6% maximum plus 1%.

Effective January 1, 2017:

Base wage rates shall be increased by the sum of one hundred percent (100%) of the Consumer Price Index for Seattle, Tacoma, Bremerton (CPI-U) October 2015 to October 2016, with a 0% minimum and a 6% maximum plus 2%.

#### **Health and Welfare**

Employees in the bargaining group are currently enrolled in the Western Conference of Teamsters Health and Welfare Trust. Employees will pay an increased premium share from \$50 per month to \$75 per month effective January 1, 2016. Based on historical premium increases the cost of this health plan will not reach the applicable threshold under the Affordable Care Act to trigger the 40% excise tax for high cost plans until well after the expiration of this agreement.

## **COMMISSION AGENDA**

Ted Fick, Chief Executive Officer

November 16, 2015

Page 3 of 4

### **Retiree Welfare Trust**

The Port will continue paying one half (1/2) of the premium for a retiree medical benefit for the duration of this agreement. The benefit provides bridge medical coverage between retirement and Medicare eligibility and also supplements Medicare.

### **Pension**

The employees are in PERS and also receive a \$1.35/hour contribution to the Pacific Coast Benefit Plan, a defined contribution pension plan. No changes to pension from the previous contract were bargained in this round of negotiations.

### **Other Changes**

- **Modifications in Article 3 – Union Security** adds language that supports the Port’s due process obligations for employees terminated for non-payment of dues.
- **Modification in Article 7 – Equal Employment Opportunity** standardizes language across contracts.
- **Modifications in Article 13 – Hours of Work and Overtime** clarify when and how work schedules will be bid; updates shift hours; provides consequences for failing to fulfill a shift trade agreement.
- **Modifications in Article 14 – Vacation** reinforce the hourly accrual method used to calculate vacation leave.
- **Modifications in Article 21 – Sick Leave** reinforce the hourly accrual method used to calculate sick leave; removes the cap on sick leave accrual while eliminating the “alternate sick leave account” provision; and, provides for shared leave under the Port’s HR-5 policy.
- **Modifications in Appendix A** clarify application of call back status and when pay for court appearances apply.
- **Appendix A – Pay Rates**

#### Current Rates

Job Title	Employees	Average Pay (Hourly)	Minimum Pay (hourly)
Police / Fire Communication Specialist	15	\$32.02	\$ 24.54

The new agreement brings the minimum rate to \$25.31. These employees work 40 hours per week inclusive of a daily paid lunch.

## **COMMISSION AGENDA**

Ted Fick, Chief Executive Officer

November 16, 2015

Page 4 of 4

### **Associated MOUs**

- Job Share MOU discontinued.

### **FINANCIAL IMPLICATIONS**

<b>Cost Impact \$</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>Labor</b>	\$30,968	\$25,748	\$36,949
<b>Benefits</b>	\$3,462	\$3,733	\$8,194
<b>Total</b>	<b>\$34,430</b>	<b>\$29,482</b>	<b>\$45,143</b>

The estimated total additional cost year over year to the Port for the duration of the contract is \$109,054.

#### ***Budget Status and Source of Funds***

The increase in expense is included in the Police Department 2015; to be included in 2016 and 2017 budgets.

### **ATTACHMENTS TO THIS REQUEST**

- Collective bargaining agreement

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

- None.