



**COMMISSION
AGENDA MEMORANDUM**

Item No. 6f

ACTION ITEM

Date of Meeting October 22, 2019

DATE: October 11, 2019

TO: Stephen P. Metruck, Executive Director

FROM: David Freiboth, Senior Director of Labor Relations
Matthew Bullock, Labor Relations Manager

SUBJECT: New collective bargaining agreement between the Port of Seattle and the Seattle Building Trades Council on behalf of affiliated local unions that include, Painters District Council 5, Sign Painters Local 1094, Laborers Local 242, Operating Engineers Local 302, Sheet Metal Workers Local 66, Sprinkler Fitters Local 699, and Plumbers Local 32.

Total Port Cost Increase for the Duration of the Agreement: \$2,800,582

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a collective bargaining agreement between the Port of Seattle and the Seattle Building Trades Council at the Port of Seattle covering the period from January 1, 2019, through December 31, 2021.

EXECUTIVE SUMMARY

Good faith bargaining between the Seattle Building Trades Council on behalf of affiliated local unions that include, Painters District Council 5, Sign Painters Local 1094, Laborers Local 242, Operating Engineers Local 302, Sheet Metal Workers Local 66, Sprinkler Fitters Local 699, and Plumbers Local 32 and the Port of Seattle resulted in a fair Maintenance Agreement Addendum (MAA) consistent with Port's priorities.

The MAA is a unique agreement between the Port of Seattle and the Council entered into on behalf of affiliated local unions that include, Painters District Council 5, Sign Painters Local 1094, Laborers Local 242, Operating Engineers Local 302, Sheet Metal Workers Local 66, Sprinkler Fitters Local 699, and Plumbers Local 32. There are currently 136 construction trades members employed at the Port of Seattle who are seven trades groups that work in Aviation and Marine Maintenance. Each separate union is party to its own master labor agreement that is negotiated by construction industry employer associations such as the Associated General Contractors. Under this, over 50-year-old agreement, Port of Seattle regular employees are compensated 88% of their construction industry negotiated wage rate plus industry health and pension benefits, and received paid leave benefits as negotiated under the Addendum. Emergency hire employees under the Addendum receive 100% of their industry negotiated wage rate plus industry health and pension benefits provided by the Port, with limited exception.

Meeting Date: October 22, 2019

This agreement is for three years covering the period from January 1, 2019, through December 31, 2021. The estimated total additional cost for wages and benefit increases is \$2,800,582. The estimated additional cost per year of the contract is: year one, \$596,434; year two, \$904,200, and year three \$1,299,948.

Other changes consist of deleting language in the Union Security Clause regarding mandatory Union membership in compliance with Federal law; increase in accurate rate of paid time off program; addition of the sick leave program with Family Medical Leave provisions that comply with state law; and the Union participation in the employee orientation program in accordance with state law.

JUSTIFICATION

RCW Chapter 41.56 requires the Port of Seattle to collectively bargaining wages, hours and conditions of employment with the exclusive bargaining representative designated by the employees.

DETAILS

Term of the Agreement

Retroactive to January 1, 2019, through December 31, 2021.

FINANCIAL IMPLICATIONS

Wages

Adjustments to wages shall be according to each affiliate’s construction industry agreement.

Health and Welfare

Adjustments to health and pension shall be according to each affiliate’s construction industry agreement.

Other Changes

- Modifications in Article 3 – Maintenance of Membership – adds language to insure The Union Security Provision language regarding mandatory union membership was deleted to comply with Federal law.
- Modification in Article 5 – Definition of Employee – adds Limited Duration employees classification to allow seasonal employees under the terms of the Addendum.
- Modification in Article 6 – Hiring Notification – updates new hire information provided to the union under the terms of the Addendum.

Meeting Date: October 22, 2019

- Modifications in Article 7 – Terms and Conditions – modifies language transition all foremen and general foremen from trade specific rates to flat percentages. One-time, lump sum of \$1000 in 2019.
- Modifications in Article 16 – Holidays – modifies languages changing Day After Thanksgiving to Native American Heritage Day.
- Modifications in Article 17 – Paid Time Off – increase to accrual rates of paid time off; addition of sick leave program for all employees; added Family Medical Leave provision to conform with the Washington Paid Family and Medical Leave Act.
- Modification in Article 21 – Settlement of Disputes, Discharge, Suspension – addition of stringent language regarding acts of racial and sexual harassment.
- Modifications in Article 26 – Bi-weekly Pay – addition of overpayment and underpayment language.
- Appendix A – Operating Engineers Local 302 – updates current Group 2 payrates and health and welfare rates of Local 302 MLAWW CBA.
- Appendix B – Laborers Local 242 – update of Garage Maintenance Workers and Bus Maintenance Workers in Aviation Maintenance to Laborer Group III payrates.
- Appendix D – Painters and Allied Trades – updates premium pay percentage from 9% to 12%.
- Other non-monetary housekeeping changes

| Cost Impact \$ | Year 1 | Year 2 | Year |
|------------------------------|---------------|---------------|-------------|
| Pay | \$521,758 | \$702,930 | \$965,783 |
| Benefits | \$74,677 | \$126,594 | \$132,894 |
| Total New Money | \$596,434 | \$307,766 | \$395,747 |
| | | | |
| Total Cumulative Cost | \$238,417 | \$647,379 | \$2,800,582 |

The estimated total additional cost to the Port of Seattle for the duration of the contract is \$2,800,582.

ATTACHMENTS TO THIS REQUEST

1. Collective Bargaining Agreement

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None.