



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 6f

**ACTION ITEM**

**Date of Meeting** July 28, 2020

**DATE:** July 28, 2020

**TO:** Stephen P. Metruck, Executive Director

**FROM:** David Freiboth, Senior Director of Labor Relations  
Greg Gauthier, Labor Relations Manager

**SUBJECT:** New collective bargaining agreement between the Port of Seattle and the International Association of Machinists and Aerospace Workers Local 289, representing auto machinists in Marine and Aviation Maintenance Departments.

**Total Port Cost Increase for the Duration of the Agreement:** \$518,559.00

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to execute a new collective bargaining agreement between the Port of Seattle and International Association of Machinists and Aerospace Workers Local 289, representing auto machinists covering the period from July 1, 2019, through June 30, 2021.

**EXECUTIVE SUMMARY**

Good faith bargaining between the International Association of Machinists and Aerospace Workers Local 289, representing auto machinists and the Port of Seattle, resulted in a fair collective bargaining agreement consistent with the Port's priorities.

There are currently thirty-four (34) auto machinists employed at the Port of Seattle who are assigned to both the Aviation Maintenance (25) and Marine Maintenance (9) departments. Employees in this bargaining unit are responsible for providing general automotive maintenance and repair work on the Port of Seattle's fleet of vehicles and equipment.

This agreement is for two years covering the period from July 1, 2019, through June 30, 2021. The estimated total additional cost for wages and benefit increases is \$518,559.

The estimated cumulative cost per year of the contract is: year one, \$179,677; and year two, \$338,882.

The cost is based upon the following:

- Annual CPI-U based wage increases of 2.3% in year one, and 1.3% in year two.
- Increases in medical premiums

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- Increases in pension rehabilitation obligations
- Sick leave alignment
- Safety shoe stipend increases

Other changes include the following:

- Incorporation of the Port’s Paid Parental Leave into the CBA
- Alignment with both the Washington Paid Sick Leave Law
- Alignment with the Port’s Education and Development policy
- Additional commuter trip reduction benefits
- Modified grievance process (to a traditional 3 step model)

**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 July 1, 2019, through June 30, 2021.

**FINANCIAL IMPLICATIONS**

**Paid Leave**

**Sick Leave:**

- Increase from .03462 on hours worked to .03462 on hours compensated
- Increased maximum sick leave accrual from 160 hours to 320 hours

**Medical, Pension**

**Medical**

	<b>Plan</b>	<b>Premium Cost</b>	<b>Employee Share (Per month)</b>
Year 1	IAM Plan 10	\$2,137	\$100
Year 2	IAM Plan 10	\$2,171 <sup>1</sup>	\$100

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<sup>1</sup> Estimated increase to premium

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**Pension**

Contribution	Year 1	Year 2
Pension	\$7.96	\$7.96
Rehabilitation <sup>2</sup>	\$7.64	\$8.92
Total Per Hour	\$15.50	\$16.88

**Wages**

Classification	Current	7/1/2019	7/1/2020
Auto Machinist/ Maintenance Mechanic	\$41.97	\$42.98	\$43.54
Crew Chief	\$48.27	\$49.43	\$50.07
Lead	\$44.07	\$45.13	\$45.72
Crew Chief	\$50.37	\$51.58	\$52.25

**Safety Shoe Stipend (Annual)**

Current	2019	2020
\$120	\$150	\$175

**Cost Impact**

	Current	Year 1	Year 2
Pay	\$3,328,413	\$3,418,021	\$3,472,302
Benefits/Taxes, etc.	\$1,808,672	\$1,898,741	\$2,003,666
Total	\$5,137,086	\$5,316,762	\$5,475,968

**ATTACHMENTS TO THIS REQUEST**

1. Collective Bargaining Agreement between the Port of Seattle and IAM Local 289 (red-lined).

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

February 26, 2019

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<sup>2</sup> Rehabilitation schedule due to health of plan, effective January 2014, with supplemental rate increases by .16 each year (i.e. year 1 = (\$7.96 \* 1.16); year 2 = (\$7.96 \* 1.32); year 3 = (\$7.96 \* 1.48), and so on for ten years)