



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8e

ACTION ITEM

Date of Meeting April 26, 2022

DATE: April 26, 2022

TO: Stephen P. Metruck, Executive Director

FROM: Mikel O'Brien, Interim Senior Director of Labor Relations
Greg Gauthier, Labor Relations Manager

SUBJECT: **New Collective Bargaining Agreement between the Port of Seattle and the Pacific Northwest Regional Council of Carpenters, Local 30, representing Carpenters, Millwrights, and Piledrivers, at Marine Maintenance, Aviation Maintenance, and Port Construction Services (PCS)**

Total Port Cost Increase for the Duration of the Agreement: \$2,198,662.23

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a new collective bargaining agreement (CBA) between the Port of Seattle and the Pacific Northwest Regional Council of Carpenters, Local 30, representing Carpenters, Millwrights, and Piledrivers, at Marine Maintenance, Aviation Maintenance, and Port Construction Services (PCS) covering the period from January 1, 2022, through December 31, 2026.

EXECUTIVE SUMMARY

Good faith bargaining between the Pacific Northwest Regional Council of Carpenters, Local 30, representing Carpenters, Millwrights, and Piledrivers, at Marine Maintenance, Aviation Maintenance, and Port Construction Services (PCS) resulted in a fair collective bargaining agreement consistent with Port's priorities.

There are currently thirty-six (36) Pacific Northwest Regional Council of Carpenters represented employees at the Port of Seattle who are employed in either Marine Maintenance, Aviation Maintenance, or PCS, respectively. Classifications covered by this agreement include, Carpenters, Millwrights, and Piledrivers. Employees in this bargaining unit work conduct work associated with their respective crafts in both maintenance and new construction at the Port of Seattle.

Prior to this agreement, Union represented Carpenters and Millwrights at PCS (currently 11) were not covered under a Collective Bargaining Agreement between the Port of Seattle and the Pacific Northwest Regional Council of Carpenters, Local 30. Prior to this agreement, employees at PCS were paid at 100% of the AGC negotiated rates found in the area master labor agreement, but did not receive paid holidays, PTO, and additional paid sick leave (beyond state required). This

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agreement provides the first comprehensive Collective Bargaining Agreement between the parties covering PCS employees represented by the Pacific Northwest Regional Council of Carpenters, Local 30. PCS regular employees will now be paid at 88% of the area master labor agreement rates, but will now receive paid holidays, PTO, and paid sick leave.

This agreement is for a five-year period from January 1, 2022, through December 31, 2026. The estimated total additional cost for increase is \$2,198,662.23. The estimated additional cost per year of the contract is: year one, $-\$64,952.25^1$; year two, \$196,500.80; year three \$444,883.85; year four, \$675,058.32; and year five, \$947,171.52.

The cost is based on an annual wage and benefit increases of approximately 4.5% to 5.0%, each year of the CBA². The cost also consists of the additional costs associated with the PCS shift differentials and supervisory premiums alignment with Aviation Maintenance and Marine Maintenance employees.

Other changes include the mutual agreement between the Parties to promote Equity, Diversity, and Inclusion in the workplace. Gender specific language amended, including the change of the title of Foreman to Supervisor. The inclusion of Juneteenth as a paid holiday. Consistency of shift differentials and Supervisory premiums for PCS employees with Aviation and Marine Maintenance employees. The inclusion of the Port's Commuter Trip benefits for all employees. Safety shoe stipends with reasonable increases for all regular employees. A signing bonus of \$1000 per regular PCS employee and \$2,000 for each regular Aviation and Marine Maintenance employee.

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 – January 1, 2022, through December 31, 2026.

¹ Reflects the conversion of PCS employees to 88% of the AGC negotiated wage rate

² AGC negotiated wage increases each of first three years 4.5% to 5%.

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FINANCIAL IMPLICATIONS

Wages

Classification	PCS Current Rate ³	Maintenance Current Rate ⁴	Effective 6/1/2022	Effective 6/1/2023	Estimated Increase Effective 6/1/2024	Estimated Increase Effective 6/1/2025
Carpenter	\$49.18	\$43.28	\$45.27	\$47.26	\$49.35	\$51.54
Millwright	\$50.68	\$44.60	\$46.59	\$48.58	\$50.73	\$52.98
Piledriver	\$49.58	\$43.63	\$45.62	\$47.61	\$49.72	\$51.93

Employees wages include an annual average increase of approximately 4.5%.

Health and Welfare

The Port contributes to the Carpenters Health & Welfare Trust on behalf of employees for each hour of work. Current rate is \$8.98.

Pension

The Port contributes to the Carpenters Retirement Plan of Western Washington on behalf of each employee for each hour of work. Current rate is \$9.35.

Other Changes

- Incorporated Juneteenth holiday and additional personal holiday.
- Mutual agreement between the Parties to promote Equity, Diversity.
- Gender specific language amended.
- Consistency of shift differentials and Supervisory premiums for PCS employees with Aviation and Marine Maintenance employees.
- The inclusion of the Port’s Commuter Trip benefits for all employees. Safety shoe stipends with reasonable increases for all regular employees.
- Signing bonuses of \$1000 per regular PCS employee and \$2,000 for each regular Aviation and Marine Maintenance employee.
- Safety shoe stipend for all regular employees with reasonable increases.

³ 100% of the AGC negotiated wage rates.

⁴ 88% of the AGC negotiated wage rates.

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Cost Impact \$	Year 1	Year 2	Year 3	Year 4	Year 5
Pay	-\$131,388.65 ⁵	\$59,002.80	\$231,473.75	\$392,681.01	\$592,263.14
Benefits	\$66,436.40	\$137,498	\$213,410.10	\$282,377.31	\$354,908.37
Total	-\$64,952.25	\$196,500.80	\$444,883.85	\$675,058.32	\$947,171.51

The estimated total additional cost to the Port of Seattle for the duration of the contract is \$2,844,000.

ATTACHMENTS TO THIS REQUEST

- (1) Collective Bargaining Agreement

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

April 23, 2019 Commission Authorization for Executive Director to execute new Collective Bargaining Agreement between the Port of Seattle and the Pacific Northwest Regional Council of Carpenters (Item No. 6b)

⁵ Represents the difference in Year 1 of PCS employees moving from 100% to 88% of AGC wage rates.