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COMMISSION

AGENDA MEMORANDUM Item No. 8g

ACTION ITEM Date of Meeting November 29, 2022

DATE: November 29, 2022

TO: Stephen P. Metruck, Executive Director

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

Matthew Bullock, Labor Relations Manager

SUBJECT: New Memorandum of Understanding between the Port of Seattle and the Seattle Building and Construction Trades Council and its Affiliated Unions; Laborers Local Union, Local No. 242 and International Union of Operating Engineers, Local No. 302  
Total Port Cost Increase for the Duration of the Agreement: \$51,527.00

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a new Memorandum of Understanding (MOU) between the Seattle Building and Construction Trades Council and its Affiliated Unions, representing Laborers and Operating Engineers at Port Construction Services (PCS) covering the period from December 1, 2022, through December 31, 2023.

EXECUTIVE SUMMARY

Good faith bargaining between the Seattle Building and Construction Trades Council and its Affiliated Unions, and the Port of Seattle resulted in a fair collective bargaining agreement consistent with Port's priorities.

There are currently ten (10) Laborers and two (2) Operating Engineers employed at the Port who regularly work for PCS. Laborers are generally involved in construction and engineering operations using a variety of hand and power tools. Operating Engineers are generally involved in the piloting vehicles necessary to perform the work all other heavy construction and engineering operations.

Prior to this agreement, Local 242 represented Laborers and Local 302 representing Operating Engineers working at PCS were not covered by a Collective Bargaining Agreement between the Port of Seattle and Laborers Local Union, Local No. 242 and International Union of Operating Engineers, Local No. 302. Wages, health coverage, and pension, unless otherwise modified by the terms of the agreement, are paid in accordance with the terms negotiated between the Laborers Local Union, Local No. 242 and International Union of Operating Engineers, Local No. 302 and the Association of General Contractors (AGC).

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This MOU is for thirteen months covering the period from December 1, 2022, through December 31, 2023. The estimated total additional cost for wages and benefit increases over the term is \$51,527.00.

The cost is based on an annual wage and benefit increases of an estimated 4% each year of the CBA1 and with the assumption of similar hours worked by each of the two current employees.

The cost also consists of the additional costs associated with an annual safety shoe stipend for each 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

December 1, 2022, through December 31, 2023.

FINANCIAL IMPLICATIONS

Wages

Classification Current 6/1/2023

Rate Base

Hourly Rate

(\* +4%

estimated

increase)



Laborer \$43.90 \$45.66\*  
Operating \$52.72 \$55.09  
Engineer

Health and Welfare

The Port currently contributes \$7.55 per hour worked to the Laborer Health and Welfare on behalf of each employee. The Port currently contributes \$7.67 per hour worked to the Operating Engineer Health and Security on behalf of each employee.

Pension

1 Wage rate, health insurance contributions, pension contributions, apprenticeship contributions all subject to the terms of the agreement between the AGC and Local 242 and Local 302; current figures only negotiated between those parties until 5/31/2024.

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The Port currently contributes \$5.30 per hour worked to the Laborer Pension Trust fund on behalf of each employee. The Port currently contributes \$14.40 per hour worked to the Operating Engineer Pension Trust fund on behalf of each employee.

Notable Items in the new CBA

- Bi-weekly pay and direct deposit
- Grievance procedure
- Paid Parental Leave language
- Education and development opportunities
- Commuter trip Reduction language
- Annual safety shoe stipend

Laborer

Cost Year 1

Impact \$

Pay \$40,177

Benefits TBD

Total \$40,177

Operating Engineer

Cost Year 1

Impact \$

Pay \$9,669

Benefits \$4,488

Total \$14,157

The estimated total cost to the Port of Seattle for the duration of the contract is \$51,527.00.

ATTACHMENTS TO THIS REQUEST

(1) Memorandum of Understanding

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None

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