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COMMISSION

AGENDA MEMORANDUM Item No. 8h

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 Union; the Iron Workers

District Council of the Pacific Northwest, Local Union No. 86

Total Port Cost Increase for the Duration of the Agreement: \$3,640.00

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 Union, representing Iron Workers 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 Union, and the Port of Seattle resulted in a fair collective bargaining agreement consistent with Port's priorities.

There are currently one (1) Iron Worker employed at the Port who regularly work for PCS.

Laborers are generally involved in field fabrication and/or erection of structural, ornamental and reinforcing steel work.

Prior to this agreement, Local 86 represented Iron Workers working at PCS were not covered by a Collective Bargaining Agreement between the Port of Seattle and the Iron Workers District Council of the Pacific Northwest, Local Union No. 86. Wages, health coverage, and pension, unless otherwise modified by the terms of the agreement, are paid in accordance with the terms negotiated between the Iron Workers, Local Union No. 86 and the Northwest Iron Workers Employers Association, Inc.

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 \$3,640.00.

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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

(*\$1.75

estimated

increase)

Iron Worker \$49.90 \$51.65*

Health and Welfare

The Port currently contributes \$9.09 per hour worked to the Iron Worker Health and Welfare on behalf of each employee.

Pension

The Port currently contributes \$11.00 per hour worked to the Laborer Pension Trust fund on behalf of each employee.

Notable Items in the new CBA

- Bi-weekly pay and direct deposit

1 Wage rate, health insurance contributions, pension contributions, apprenticeship contributions all subject to the terms of the agreement between the Northwest Iron Workers Employers Association, Inc. and Local 86; current figures only negotiated between those parties until 5/31/2024.

Template revised September 22, 2016; format updates October 19, 2016.

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- Grievance procedure
- Paid Parental Leave language
- Education and development opportunities
- Commuter trip Reduction language
- Annual safety shoe stipend

Laborer

Cost Year 1

Impact \$

Pay \$3,640

Benefits TBD

Total \$3,640

The estimated total cost to the Port of Seattle for the duration of the contract is \$3,640.00.

ATTACHMENTS TO THIS REQUEST

(1) Memorandum of Understanding

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None

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