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COMMISSION

AGENDA MEMORANDUM Item No. 8h

ACTION ITEM Date of Meeting June 13, 2023

DATE: June 6, 2023

TO: Stephen P. Metruck, Executive Director

FROM: Greg Gauthier, Labor Relations Manager

Mikel O'Brien, Sr. Director, Labor Relations

SUBJECT: New Collective Bargaining Agreement Between the Port of Seattle and Teamsters

Local 117 Representing Employee Parking Bus Drivers

Additional cost over term: \$1,267,389.18

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a new collective bargaining agreement (CBA) between the Port of Seattle and Teamsters Local 117 representing Employee Parking Bus Drivers in our Aviation Landside Operations Department, covering the period from June 1, 2023, through May 31, 2026.

EXECUTIVE SUMMARY

Good faith bargaining between the Port of Seattle and Teamsters Local 117 resulted in a fair collective bargaining agreement consistent with the Port's priorities.

The bargaining unit consists of 28 Employee Parking Bus Drivers, who transport airport employees between the North Employee Parking Lot (NEPL) and the terminal.

This new agreement covers a period of one year from June 1, 2023, through May 31, 2026. The estimated total cumulative additional cost for wages, pension, healthcare, and other benefits is \$1,267,389.18.

The costs are based upon wage rate increases of 10% in year 1, and an estimated 4.5% in each of years 2 and 3, the removal of the current first-tier wage rate and subsequent shifting of progressive steps¹, a 4% estimated increase to healthcare premiums, a modest increase to pension contributions beginning in year 2, and a modest increase to the employee's monthly healthcare premiums².

1 Currently 7 wage rate tiers and will be reduced to 6

2 Currently employees contribute \$115 per month, which will be increased to \$125 at the end of 2024, and \$140 at the end of 2025

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JUSTIFICATION

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

SCOPE OF THE AGREEMENT

Term of the Agreement

June 1, 2023, through May 31, 2026.

FINANCIAL IMPLICATIONS**Wages**

EP Bus Drivers June 1, 2023

6% + 4% Market With 1% Seatbelt/No

Adjustment Accident Premium³Entry \$27.20 N/A⁴

After 1 Year \$28.84 \$28.52

After 2 Years \$29.27 \$29.56

After 3 Years \$30.33 \$30.63

After 4 Years \$31.38 \$31.69

After 5 Years \$32.43 \$32.75

After 6 Years \$33.49 \$33.82

Medical, Pension, Retirement Medical, PCBT

• Health Insurance Teamsters Plan A Current Monthly Premium \$1725

Employee Premium Share \$115

- Pension Teamsters Trust Employer Hourly Contribution \$2.965
- Retirement Medical Teamsters (RWT) Split Monthly Premium \$94.85
- Defined Contribution Teamsters (PCBT) Employer Hourly Contribution \$1.35
- Enhanced vacation accrual formula for first year employees.

Cost Impact \$ Term of Agreement 3 Year
Pay \$1,143,058.62
Benefits \$124,330.55
Total \$1,267,389.18

3 Added to base

4 Must have worked previous 12 months for this premium

5 Increases to \$3.01 beginning 2024.

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The estimated additional cost of this Agreement to the Port of Seattle over the term of the agreement is \$1,236,298.60.

ATTACHMENTS TO THIS REQUEST

(1) Collective Bargaining Agreement

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

September 27, 2022—Commission authorization of previous Collective Bargaining Agreement covering Employee Parking Bus Drivers (1 Year Term).

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