

# COMMISSION AGENDA MEMORANDUM

**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 steps<sup>1</sup>, 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 premiums<sup>2</sup>.

<sup>&</sup>lt;sup>1</sup> Currently 7 wage rate tiers and will be reduced to 6

<sup>&</sup>lt;sup>2</sup> 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

<b>EP Bus Drivers</b>	June 1, 2023	
	6% + 4% Market	With 1% Seatbelt/No
	Adjustment	Accident Premium <sup>3</sup>
Entry	\$27.20	N/A <sup>4</sup>
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	<b>Employer Hourly Contribution</b>	\$2.965
•	Retirement Medical	Teamsters (RWT)	Split Monthly Premium	\$94.85
•	Defined Contribution	Teamsters (PCBT)	<b>Employer Hourly Contribution</b>	\$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

<sup>3</sup> Added to base

<sup>&</sup>lt;sup>4</sup> Must have worked previous 12 months for this premium

<sup>&</sup>lt;sup>5</sup> 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).