



**COMMISSION
AGENDA MEMORANDUM**

Item No.

6f

ACTION ITEM

Date of Meeting

April 16, 2019

DATE: April 9, 2019

TO: Stephen P. Metruck, Executive Director

FROM: David Freiboth, Senior Director of Labor Relations
Matthew Bullock, Labor Relations Manager

SUBJECT: New collective bargaining agreement between the Port of Seattle and the International Brotherhood of Teamsters, Local 117, representing Credential Specialists.

Total Port Cost Increase for the Duration of the Agreement: \$191,906

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a new collective bargaining agreement (CBA) between the Port of Seattle and the International Brotherhood of Teamsters, Local 117, representing Credential Specialists at the Port of Seattle covering the period from July 1, 2018 through June 30, 2021.

EXECUTIVE SUMMARY

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

There are currently ten (10) Credential Specialists employed at the Port of Seattle who are responsible for issuing security identification badges to employees with a consistent business need to access the sterile and restricted areas at Seattle Tacoma International Airport. There are approximately 22,000 badged employees comprised of airline personnel, tenants, contractors, vendors, consultants, government, and Port of Seattle employees.

This agreement is for three years covering the period from July 1, 2018 through June 30, 2021. The estimated total additional cost for wages and benefit increases is \$105,269. The estimated additional cost per year of the contract is: year one, \$23,057; year two, \$40,522, and year three \$41,689.

The cost is based upon a cost of living increase of 3.0% percent in wages in year one of the agreement; a cost of living increase of 3.1% in year two of the agreement; and an estimated cost of living increase of 2.5%, plus an additional 1% in year three of the agreement. The cost

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also consists of a 3.79% increase in health insurance in January of 2019 and an estimated 3.79% increase in January 2020 and 2021.

Other changes consist of deleting language in the Union Security Clause regarding mandatory Union membership in compliance with Federal law; increase employee contribution for medical insurance; modification of the sick leave and the Family Medical Leave provisions to comply with state law; and the Union participation in the employee orientation program in accordance with state law.

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

Retroactive to July 1, 2018 through June 30, 2021.

FINANCIAL IMPLICATIONS

Wages

Classification	Current Rate	Effective 7/1/18 Base Hourly Rate (+3.0%)	Effective 7/1/19 Base Hourly Rate (+3.1%)	Effective 7/1/20 Base Hourly Rate (+2.5%)
Credential Specialist	\$24.62 - \$32.49	\$25.36 - \$33.46	\$26.17 - \$34.53	\$27.09 - \$35.74
Cred Ctr Receptionist	\$19.75 - \$28.84	\$20.34 - \$30.13	\$ 20.99 \$31.09	\$21.72 - \$32.18

Wage

Employees were provided with a cost of living increase for each year of the three year agreement based on the Seattle/Tacoma/Bellevue CPI U Annual Average Index which represented 3.0% effective July 1, 2018; 3.1% effective July 1, 2019; and an estimated 2.5% COLA effective July 1, 2020. Employees also will receive an additional one percent (1.0%) above COLA in year three of the agreement.

Health and Welfare

Members of the bargaining group are currently enrolled in Teamsters Medical Plan A where they are contributing seventy-five dollars (\$75) per month toward the cost of their medical insurance. The contract provides for an increase in the amount of premium share paid by employees of twenty-five dollars (\$25) in year two of the agreement and an additional twenty-five dollars (\$25) in year three of the agreement. Total employee medical contribution will

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therefore consist of a total of one-hundred dollars (\$100) per month in year two of the agreement and one hundred twenty-five dollars (\$125) a month in year three of the agreement.

New Employee Orientation

The Union will now have up to thirty (30) minutes to meet with new employees during the new employee orientation in accordance with state law.

Other Changes

- The sick leave provision was modified to conform to the new Washington State sick leave law.
- The Family Medical Leave provision was modified to conform with the Washington Paid Family and Medical Leave Act.
- The Union Security Provision language regarding mandatory union membership was deleted to comply with Federal law.

<u>Cost Impact \$</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Pay	\$16,568	\$28,360	\$34,070
Benefits	\$6,489	\$12,163	\$7,618
Total New Money	\$23,057	\$40,522	\$41,689
Total Cumulative Cost	\$23,057	\$63,580	\$105,269

The estimated total additional cost to the Port of Seattle for the duration of the contract is \$191,906.

ATTACHMENTS TO THIS REQUEST

1. Collective Bargaining Agreement between the Port of Seattle and the International Brotherhood of Teamsters, Local 117, representing Credential Specialists assigned to the Port of Seattle Aviation Security Department, covering the period from July 1, 2018 through June 30, 2021.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None.