



**COMMISSION
AGENDA MEMORANDUM**

Item No. 6d

ACTION ITEM

Date of Meeting June 11, 2019

DATE: June 11, 2019

TO: Stephen P. Metruck, Executive Director

FROM: Greg Gauthier, Labor Relations Manager
Mikel O'Brien, Sr. Labor Relations Manager
David Freiboth, Sr. Director, Labor Relations

SUBJECT: New collective bargaining agreement between the Port of Seattle and the Teamsters Local 174 representing Truck Drivers at Marine Maintenance and Port Construction Services (PCS).

Additional cost over term: \$222,309

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a new collective bargaining agreement between the Port of Seattle and Teamsters Local 174, representing Truck Drivers at both Marine Maintenance and Port Construction Services, covering the period from June 1, 2018, through May 31, 2022.

EXECUTIVE SUMMARY

Good faith bargaining between the Port of Seattle and the Teamsters Local 174 resulted in a fair collective bargaining agreement consistent with the Port's priorities.

The bargaining unit consists of seven Truck Drivers at both Marine Maintenance and PCS. Employees in this bargaining unit may operate dump trucks, flatbeds, tilt-deck, or drop-down trailers and may also pick up or delivery materials.

The agreement is for four years covering the period from June 1, 2018, through May 31, 2022. The estimated total cumulative additional cost for wages, pension, healthcare, and other benefits is \$222,309. The estimated cumulative additional cost per year of the contract is Year 1, \$19,117; Year 2, \$44,623; Year 3, \$66,834; and Year 4, \$91,735.

The costs are based on removing factors negotiated between the Teamsters Local 174 and Washington Association of General Contractors (AGC) used to create a formula for wages and pension, and moving to a flat-rate wage increase model averaging 3.5 percent in annual increases in years 2, 3, and 4. In addition, bargaining unit members will be exchanging 14 percent of their first year's base wage rate for paid vacation, sick leave, and holiday benefits.

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Other changes include an updated grievance procedure; alignment with both the Washington Paid Sick Leave Law and Paid Family Medical Leave; inclusion of Paid Parental Leave; participation in the Port’s Development and Education program; the deletion of language in the Union Security Clause regarding mandatory Union membership in compliance with Federal law; updates to the Section on Equal Employment; the withdrawal of all open jurisdiction-related grievances; the addition of a retroactive General Foreman premium at PCS; and the option for employees to “buy up” to a more expensive Retiree’s Health and Welfare Supplemental Plan.

JUSTIFICATION

Chapter 41.56 RCW 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, 2018, through May 31, 2022.

FINANCIAL IMPLICATIONS

Wages

Classifications	Year 1	Year 2	Year 3	Year 4
Truck Driver	\$37.49	\$33.87	\$35.02	\$36.32
Crew Chief	\$40.68	\$36.75	\$38.00	\$39.41
General Foreman ¹	\$44.34	\$40.06	\$41.42	\$42.96

¹ General Foreman assigned as needed; not necessarily a permanent full-time position

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Sick Leave

Currently accrued at .025 per hour paid worked, will now will be accruing at a rate of .03846 per straight time hours paid.

Vacation

Employees will be entitled to begin accruing vacation based upon the following:

- One week after one year
- Two weeks after two years
- Three weeks after five years
- Four weeks after nine years

Pension, Medical, Retirement Medical (RWT)

Pension Contributions per hour compensated

	Year 1	Year 2	Year 3	Year 4
Pension ²	\$11.68	\$11.68	\$11.68	\$11.68

Medical

Employees are eligible for Teamsters Plan A and will begin contributing the following amounts monthly:

- Year 2 \$30.00
- Year 3 \$50.00
- Year 4 \$70.00

Retiree’s Health & Welfare

\$94.85 per month

Other Changes

- Updated Grievance Procedure
- Expanded List of Terminable Offenses
- Paid Parental Leave with Waiver
- Employee Development and Education with Waiver
- Alignment with the Janus Decision regarding Union Security
- Alignment with the Washington Paid Sick Leave Law
- Alignment with the Washington Paid Family Leave Law with an Administrative Waiver

² Includes Basic Contribution \$10.03 and Peer 80 \$1.65

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ATTACHMENTS TO THIS REQUEST

- (1) Collective Bargaining Agreement between the Port of Seattle and the Teamsters Local 174 (red lined).
- (2) Collective Bargaining Agreement between the Port of Seattle and the Teamsters Local 174 (union signed).

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

July 14, 2015—Commission authorization of previous Collective Bargaining Agreement