



**COMMISSION
AGENDA MEMORANDUM**

Item No. 6e

ACTION ITEM

Date of Meeting October 8, 2019

DATE: October 1, 2019

TO: Stephen P. Metruck, Executive Director

FROM: Milton Ellis, Labor Relations Manager
David Freiboth, Sr. Director, Labor Relations

SUBJECT: New collective bargaining agreement between the Port of Seattle and the International Brotherhood of Teamsters, Local 763, Teamsters, representing Police Commanders.

Additional cost over term: \$84,296

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 763, Teamsters, Police Commanders, representing the Police Department for the Port of Seattle covering the period from January 1, 2019, through December 31, 2021.

EXECUTIVE SUMMARY

Good faith bargaining between the International Brotherhood of Teamsters, Local 763, representing Police Commanders and the Port of Seattle resulted in a fair collective bargaining agreement consistent with the Port's priorities.

There are currently five (5) Police Commanders employed at the Port of Seattle who assigned to the Port of Seattle Police Department. Police Commanders are part of the Port of Seattle Police Department command staff and supervise the day to day activities of Port of Seattle Police Sergeants and Police Officers.

This agreement is for three years covering the period from January 1, 2019, through December 31, 2021. The estimated total additional cost for wages and benefit increases is \$84,296. The estimated additional cost per year of the contract is: year one, \$36,432; year two, \$24,869; and year three, \$22,995.

Contributing factors to the costs include:

The cost is based upon a cost of living increase of 3.1 percent in wages in year one of the agreement and an estimated 2.5 percent cost of living increase in wages in years two and three

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of the agreement. The cost also consists of a health insurance increase of 3.49 percent increase in health insurance in year one of the agreement and an estimated 3.18 percent increase in years two and three of the agreement.

Other changes consist of modifying the Union Security provisions of the agreement to comply with state law; increasing the annual awarded time provided to Police Commanders by an additional forty (40) hours for a total of eighty (80) hours per year; and modifying the Holiday cash out provision to comply with Department of Retirement Services (DRS) requirements thereby allowing employees to receive retirement credit from DRS. In addition, employees will be enrolled in the Teamsters Retiree Welfare Plus XL plan effective in year two of the agreement with the Port paying up to fifty (\$50) per month per employee for the term of the agreement. Employees will also pay an additional fifty (\$50) dollars per month in employee premium share for a total of \$125 per month effective year three of the agreement. The salary compression rate between Police Commanders and Sergeants was increased from twenty to twenty-five percent. Changes were made to the sick leave and the Washington State family medical leave provision to comply with state law and the Equal Employment Opportunity provision was modified to comply with state and federal law.

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

Retroactive to January 1, 2019, through December 31, 2021.

FINANCIAL IMPLICATIONS

Wages

Classification	Current Rate	Effective 1/1/19 Base Hourly Rate (+3.1% COLA)	Effective 1/1/20 Base Hourly Rate (Estimated +2.5% COLA)	Effective 1/1/21 Base Hourly Rate (Estimated +2.5% Estimated COLA)
Police Commanders	\$65.80	\$70.45	\$72.21	\$74.02

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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 (All Urban Consumers) October to October Index which represented 3.1 percent for October 2017-October 2018 (effective January 1, 2019); estimated 2.5 percent for October 2018-October 2019 (effective January 1, 2020); and an estimated 2.5 percent COLA for October 2019-October 2020 (effective January 1, 2021). The salary compression between Police Commanders and Sergeants was also increased from 20 to 25 percent based on the Port of Seattle's Sergeant A current base wage hourly rate.¹

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 fifty dollars (\$50) in year three of the agreement. Total employee medical contribution will therefore increase to one hundred twenty-five dollars (\$125) per month in year three of the agreement.

Eligible employees will also be enrolled in the Teamsters Retiree Welfare Plus XL plan effective January 1, 2020, with the Port paying up to fifty-dollars per month in premium payments per employee.

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

- Union Security provisions modified to comply with state law;
- Police Commanders will receive an additional forty (40) hours per year in awarded time for a total of eighty (80) hours;
- Holiday cash out provision was modified to comply with Department of Retirement Service requirements allowing employees to receive retirement credit from DRS;
- 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.

¹ Sergeant A current hourly rate is \$54.67. The 25 percent wage compression brings the Commander's base hourly rate to \$68.33.

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- The Union Security Provision language regarding mandatory union membership was deleted to comply with Federal law.

• Cost Impact \$	Year 1	Year 2	Year 3
Pay	\$29,184	\$19,652	\$20,143
Benefits	\$ 7,248	\$5,217	\$ 2,852
Total New Money	\$36,432	\$24,869	\$22,995
Total Cumulative Cost	\$36,432	\$61,300	\$84,296

The estimated total additional cost to the Port of Seattle for the duration of the contract is \$84,296.

ATTACHMENTS TO THIS REQUEST

- (1) Collective Bargaining Agreement

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

June 14, 2016 - Commission authorization of previous Collective Bargaining Agreement