

COMMISSION AGENDA

Item No: 5A

Meeting: 10/19/17

DATE: September 29, 2017

TO: Port Commission

FROM: John Wolfe, Chief Executive Officer
Sponsor: Don Esterbrook, Deputy CEO
Project Manager: Louis Cooper, Senior Director, Security and Labor Relations

SUBJECT: ILWU 28 Terminal Security Officer (TSO) Collective Bargaining Agreement (CBA).

A. ACTION REQUESTED

Request Commission approval of the fully executed collective bargaining agreement (CBA), between ILWU Local 28 Terminal Security Officers and the Port of Tacoma, which extends the agreement through April 30, 2018.

B. BACKGROUND

On October 1, 2009, the Commission approved a four-year contract to provide APMT with security services in exchange for APMT payment, which expired October 31, 2013. Since inception, and with Commission approval, the Port has previously amended the CBA agreement which led to multiple extensions. Amendment three of the contract extended the agreement through December 31, 2017.

The Port established a workforce of 19 personnel, which consists of represented Terminal Security Officers (Regular and Relief TSOs), one supervisory staff and one administrative person. Services provided include access control, roving patrol and CCTV monitoring in conformance with U.S. Coast Guard requirements and the tenants Facility Security Plan (FSP). All 19 officers are covered by the Local 28 Terminal Security Officers CBA which expires on December 31, 2017.

C. KEY CONTRACT EXTENSION PROVISIONS

The current security services agreement states “the agreement will terminate if APMT terminates its lease with the Port”. APMT has provided notice to POT of its termination effective October 2, 2017.

SSA began operating the Terminal on October 2, 2017, in accordance with the Lease and Operating Agreement with the Port of Tacoma.

The Port and SSA desire to continue the terms of the existing Security Agreement to provide SSA with security services as of the date of commencement of operations and for such period of time to allow SSA to have clarity as to the anticipated future business requirements.

The existing service agreement transferred from APMT to SSA. During this extension period, SSA agreed to assume all obligations, responsibilities, rights and duties of APMT as set forth in the Security Agreement. The Port and SSA further agreed that the termination date of the Security Agreement, as amended, shall be extended through April 30, 2018.

In partnership with SSA and ILWU, Local 28 TSO (Union), and in parallel to the extension of the Security Services Agreement, the Port is seeking to extend the current CBA through April 30, 2018.

The CBA shall remain in effect through the new expiration date and the Port shall continue to employ the TSO's as Port of Tacoma employees performing the same work at the same facility during this period. POT and Local 28 TSO's recognize that it will take some time after the change in terminal operator to have clarity as to the anticipated future operational business requirements, and thus bargaining prior to the expiration of the extended agreement would be difficult. As agreed, during the extended period there will be no changes made to the existing CBA.

The terms of the proposed extension have been approved by the Local 28 TSO work-force.

D. FINANCIAL SUMMARY

Estimated Agreement and Contract Costs November 2016 – April 2018:

| | |
|------------------------------------|-------------|
| Security Service Agreement Revenue | \$2,588,009 |
| POT ILWU 28 TSO Contract Costs | \$2,174,969 |

E. NEXT STEP

Following Commission approval, the Senior Director of Security and Labor Relations will continue into the execution of the agreed CBA extension between ILWU Local 28 Terminal Security Officers and the Port of Tacoma.