

# COMMISSION AGENDA

Item No: 4B

Meeting: 11/29/2018

**DATE:** November 16, 2018

**TO:** Port Commission

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

**SUBJECT:** ILWU 22 Terminal Security Officers Contract and Security Services Agreement

## A. ACTION REQUESTED

ACTION I - Request Commission approval for the Port of Tacoma to enter into a five-year labor agreement with ILWU Local 22 Terminal Security Officers.

ACTION II – Request Commission approval to execute a five-year Security Services Agreement between SSA Terminals (Tacoma) LLC and the Port of Tacoma.

## BACKGROUND

In October of 2009, the Commission approved a contract to provide APMT with security services in exchange for APMT payment, through December 31, 2017. APMT provided notice to POT of its lease termination affective October 2, 2017. SSA Terminals (Tacoma) began operating the Terminal on October 2, 2017, in accordance with the Lease and Operating Agreement with the Port of Tacoma.

On October 19, 2017 Commissioned approved the transfer of the Security Services Agreement, from APMT to SSA Terminals (Tacoma). SSAT agreed to assume all obligations responsibilities, rights and duties of APMT as set forth in the Security Agreement. Additionally, Commission approved the extension of the Security Services Agreement on October 25, 2018 through December 31, 2018

The Port since inception of the Security Services Agreement (2009) established a Terminal Security workforce to provide these services, which consists of represented Terminal Security Officers (Regular and Relief TSOs). 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 terminal security officers are covered by the ILWU Local 22 Terminal Security Officers CBA which was recently extended to December 31, 2018.

**B. KEY CONTRACT PROVISIONS**

ACTION I – ILWU Local 22 Terminal Security Officers Labor Agreement

In partnership with SSAT (Tacoma) and ILWU, Local 22 TSO (Union), the Port is seeking approval to enter into a five-year labor agreement with ILWU Local 22 Terminal Security Officers, which includes the following changes;

- Contract Length – five years, from November 1, 2018 through October 31, 2023
- All TSOs will receive an annual across-the-board wage increase of \$1.00
- In addition to the annual wage increases, the Port will pay the 11/1/2018 \$1.00 increase retroactive to 11/1/2017.
- The Port agrees to maintain existing medical and dental insurance coverage for all eligible employees in the ILWU Local 22 TSO bargaining unit with no out of pocket employee premiums for the duration of the CBA.
- The Port agrees to provide the same vision insurance coverage to all eligible employees in the ILWU Local 22 TSO bargaining unit to the same extent and on the same terms as the non-represented staff.
- The Port agrees to provide an additional eight (8) days of PTO, for a total of 32 days per year.

The noted key contract provisions have been approved by the Local 22 TSO work-force.

ACTION II – Security Service Agreement with SSA Terminals (Tacoma) LLC

In partnership with SSAT (Tacoma) and ILWU, Local 22 TSO (Union), and in parallel to the Port's request to enter into a five-year labor agreement, commission approval is requested to execute a five-year Security Services Agreement between SSA Terminals (Tacoma) LLC through October 31, 2023.

Security services general scope of work; The Port of Tacoma will provide, manage, and maintain a uniformed protective port security and response force 24 hours a day, 7 days a week, for the physical protection of the SSAT Terminals Pacific Ltd. marine terminal at the Port of Tacoma as directed by the SSAT-Facility Security Officer in accordance with all applicable federal, state, and local laws, regulations, rules, and orders, including but not limited to policies, procedures, and directives, and the Terminal Lease and Operating Agreement between SSAT and the Port of Tacoma.

**C. FINANCIAL SUMMARY**

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Total for Contract</u>
<b>Contract Revenue</b>	\$1,531,989	\$1,616,593	\$1,704,862	\$1,797,154	\$1,893,861	\$8,544,458
<b>TSO Total Cost</b>	(\$1,372,784)	(\$1,449,148)	(\$1,528,569)	(\$1,611,725)	(\$1,698,975)	(\$7,661,202)

**D. NEXT STEP**

Following approval by the Commission, the Chief Executive Officer or his designee will enter into a five-year labor agreement with ILWU Local 22 Terminal Security Officers and execute a five-year Security Services Agreement between SSA Terminals (Tacoma) LLC and the Port of Tacoma.